



DAILY REPORT

CONTENTS

China

Vol I No 001

2 January 1986

PRC INTERNATIONAL AFFAIRS

GENERAL

Qian Liren Interviewed on Inter-Party Relations [LIAOWANG 16 Dec]	A 1
Beijing Radio Reviews Foreign Relations	A 3
Reagan New Year Greetings Broadcast in USSR	A 4
Gorbachev Makes TV Address to American People	A 4
Soviet Counterproposal Seeks September Summit	A 5
Wu Xueqian Hosts Reception for Foreign Envoys	A 5

NORTHEAST ASIA

DPRK Leaders Fete Chinese Comrades in Pyongyang	D 1
DPRK Friendship Official Sends New Year Greeting	D 1
DPRK Official Attends Power Station Celebration	D 1
Japan's Nakasone Views Ties With PRC, USSR	D 2

SOUTHEAST ASIA & PACIFIC

Radio Beijing New Year Message to Philippines	E 1
Hong Kong Official on Political System Reform	E 1
Gu Mu Meets With Hong Kong Banker, Others	E 1
Li Peng Meets Hong Kong Photographic Artists	E 2
Sihanouk Meets Cambodian Residents in Hong Kong	E 2

SOUTH ASIA

Further on Qian Liren Delegation Visit to India	F 1
Indian Minister Hosts Dinner	F 1
Meets CPI Leaders	F 1
Meets CPI(M) Leader	F 1
Sino-Pakistan Border Pass To Be Fully Opened	F 1
Pakistan's Transition to Civilian Rule Examined	F 2
XINHUA Year-End Roundup on Nepal Peace Proposal	F 3

WESTERN EUROPE

Li Peng Meets French, UK Ambassadors, Others	G 1
Entry of Spain, Portugal to EC Aids Unity	G 1
XINHUA 'Year-Enders' on French Political Situation	G 2

EASTERN EUROPE

Poland To Exchange Teachers of Coal Mining With PRC	H 1
Trade With Hungary Expanded Rapidly in 1985	H 1
SFRY Diplomacy Aids Relaxation of Tensions	H 2

MIDDLE EAST & AFRICA

CHINA DAILY Discusses African Nationalization [31 Dec]	I 1
UAE Paper Praises PRC's Foreign Policy	I 1
Yao Yilin Attends Reception by Sudanese Envoy	I 2
Ugandan Leader Meets With Chinese Charge	I 2
New Sierra Leonean President Receives PRC Envoy	I 2

PRC NATIONAL AFFAIRS

RENMIN RIBAO Editorial Ushers In New Year [1 Jan]	K 1
Newspapers Publish New Year Editorials	K 3
Hu Yaobang Visits Xisha Islands Troops on New Year's	K 3
Leaders, Noncommunists at Beijing New Year's Party	K 5
Ulanhu Speech	K 6
Li Xiannian, Jiangsu Leaders Mark New Year	K 8
Wan Li Celebrates New Year With Beijing Students	K 8
Peng Zhen Celebrates New Year in Wuxi, Jiangsu	K 9
National Leaders Meet Guangdong CPC, PLA Leaders	K 9
Commentator Discusses Rectifying Unhealthy Trends	K 9
[RENMIN RIBAO 27 Dec]	
Commentator Warns Against 'Perfunctory Attitude'	K 11
[RENMIN RIBAO 28 Dec]	
Annotations to CPC Resolution on Mao Revised	K 13
[GUANGMING RIBAO 18 Dec]	
RENMIN RIBAO on Current Conditions, History [23 Dec]	K 16
PRC-Built Nuclear Submarines Handed Over to Navy	K 18
Mao Dun Literature Prize Awards Ceremony Held	K 19
[GUANGMING RIBAO 18 Dec]	
Literary Achievements Hailed	K 19
GUANGMING RIBAO Sponsors Literature, Art Forum [24 Dec]	K 21
Scheduled Showing of Live Aid Concert Canceled [AFP]	K 22
Difference Described Between Co-ops, Collectives	K 23
Li Peng Congratulates Ministry on Power Projects	K 24
Li Peng Urges Improved Enterprise Management	K 24
Tian Jiyun Report Heard at Rural Work Meeting	K 25

PRC REGIONAL AFFAIRS

EAST REGION

Leaders Attend Shandong Army Support Rally O 1
Shanghai Elects Jiang Zemin Deputy to NPC O 3

CENTRAL-SOUTH REGION

Guangdong Completes Half of 5-Year Plan Projects P 1
Guangdong Consolidates State-Run Enterprises P 1
Income of Vietnamese Refugees in Guangxi Increases P 2
Henan Vice Governor on Economic Development Plans P 2
[CHINA DAILY 1 Jan]
Hubei Circular on Family Planning Around Festivals P 3

SOUTHWEST REGION

Wu Jinghua Speaks on Xizang Problems, Tasks Q 1
Reportage on Yunnan Conference of CYL Delegates Q 2
Pu Chaozhu, Others Attend Q 2
Conference Ends 30 Dec Q 3

NORTH REGION

Beijing 'Migrants' Have Higher Educational Level R 1
[CHINA DAILY 31 Dec]
Nei Monggol Economic Official on 1985 Achievements R 2
Tianjin's Ni Zhifu Attends New Year's Soiree R 2

NORTHEAST REGION

Jilin Governor Delivers New Year Radio Address S 1

NORTHWEST REGION

Shaanxi Reporter Sentenced for Leaking Secrets T 1
Shaanxi Reports Sixth 5-Year Plan Achievements T 1
[SHAANXI RIBAO 12 Dec]
Xinjiang Islamic Body Chairman Urges Unity T 2
Xinjiang Agricultural Production Increasing T 2

PRC MEDIA ON TAIWAN AFFAIRS

Kuomintang Spy Arrested in March Sentenced U 1

TAIWAN

President Attends New Year Celebrations V 1
Cabinet Explains Solemn Task of Reunification V 1

HONG KONG MEDIA ON CHINA

Reorganization of Ocean Shipping Industry Urged [HSIN WAN PAO 30 Dec]	W 1
MING PAO Views Public Order in Coastal Ports [30 Dec]	W 2
Military Commission Sets Up Shenzhen Garrison [WEN WEI PO 29 Dec]	W 3
Hu Yaobang 'Shocked' by Beijing Public Transport [HSIN WAN PAO 29 Dec]	W 3
Defense Units Work To Combat Inflation [MING PAO 23 Dec]	W 4

QIAN LIREN INTERVIEWED ON INTER-PARTY RELATIONS

HK010300 Beijing LIAOWANG in Chinese No 50, 16 Dec 85 pp 9-10

[Article by reporter Gu Wenfu: "Only Between Equals Can There Be Genuine Internationalism"]

[Text] Qian Liren, the director of the International Liaison Department of the CPC Central Committee, recently gave an exclusive interview to the reporter of this journal, briefing him on the development of relations between the CPC and foreign political parties and the principles governing this development. When he talked about developing relations with foreign communist parties, he pointed out that only between equals could there be genuine internationalism. The following are his answers to the questions asked by the reporter.

Question: Would you please give a brief account of the present foreign relations of the CPC?

Answer: At present, the CPC has had a variety of relations and contacts with more than 190 political parties and organizations around the globe, including communist parties and socialist parties, social democratic parties, labor parties and many friendly political parties in Third World countries. During the year which will soon end, more than 30 chairmen, general secretaries, and central secretaries of friendly political parties have visited our country at our party's invitation. They have had friendly meetings with General Secretary Hu Yaobang and Chairman Deng Xiaoping. Our party has also sent delegations and representatives on a series of visits. These exchanges have helped promote mutual understanding, friendship, and cooperation.

Question: What are the CPC's principles for developing relations with foreign communist parties?

Answer: Those are the principles put forth by the 12th CPC National Congress that our party adhere to the principles of independence, complete equality, mutual respect, and noninterference in each other's internal affairs in developing its relations with foreign communist parties. Marxism is first of all a scientific world outlook that communists apply in understanding and transforming the objective world. Our party regards it as the theoretical foundation that guides its ideology. Marxism is a guidance to actions rather than an abstract doctrine. It must be integrated with the reality of the developing world of various countries. Only through the practice and struggle of the peoples of various countries can it display its tremendous vitality and continue to be enriched and developed.

In order to integrate the basic principles of Marxism with practice in various countries, it is up to the communist parties and the vast number of people themselves to independently make choices and continue to explore their ways, and it is impossible for them to copy any book or ready-made pattern or act under coercion and intervention from outside. These ideas have been repeatedly expounded on by the founders of Marxism. Therefore, we hold that communist parties in all countries should independently handle all their own affairs and at the same time, we also uphold that all communist parties should give each other moral support and voluntarily exchange views and learn from each other to make up their deficiencies on the basis of complete equality. However, we do not agree to restrain the actions of other parties by such means as "common laws," "common strategies," and "coordinated administration." Only between equals can there be genuine internationalism. In 1893, Engels told Laura Lafargue that "international union can only exist between countries; therefore, the existence of these countries and their independence in handling their international affairs are also contained in the concept of internationalism itself." ("Collected Works of Marx and Engels" Vol 39, p 84)

Owing to differences in their histories and present circumstances, it is normal that communist parties may differ from one another on certain issues. Consensus cannot be reached by coercion. Even if a party has made mistakes, it has to sum up its experience and correct its mistakes on its own. On the way to understand and apply the basic principles of Marxism, all the communist parties in various countries are independent and entirely equal. No party is entitled to look upon itself as superior to others.

Question: How do you distinguish relations between communist parties from relations between countries?

Answer: From the answer to the second question, we can see that the CPC's relations with communist parties in other countries are moral relations, just like the mutual contacts between the political parties of various countries that have certain things in common. This is a common international phenomenon. We will not interfere in the internal affairs of other communist parties, nor will we use party-to-party relations to interfere in the internal affairs of other countries or harm normal country-to-country relations or to do things harmful to any third party.

As far as country-to-country relations are concerned, we have repeatedly stated that China will never base her relations with other countries on their social systems or ideologies. Instead, China's guiding principles for relations with other countries are the Five Principles of Peaceful Coexistence. China will adhere to its independent foreign policy and will not enter into an alliance with any big power or form "strategic relations" with any big power. This is the general principle that guides the handling of our relations with other countries. This principle will not be affected by the existence or position of the communist party in a country, nor will it be affected by the condition of relations between the CPC and the communist party in a country.

Question: Please give us a short briefing on the CPC's relations with socialist parties, social democratic parties, and labor parties.

Answer: On the basis of the four principles of independence, complete equality, mutual respect, and noninterference in each other's internal affairs, we have already had, to various extents, contacts with the socialist parties, social democratic parties, and labor parties in most of the developed countries and in some developing countries and we are continuing to develop these contacts. Last October, at the invitation of the Socialist International, we sent representatives to participate in the disarmament conference, that it held in Vienna and expounded, in the conference, on China's stand on the issues of peace and disarmament. This has further improved their mutual understanding.

Regarding the two major issues of peace and development that are of universal concern to the world at present, our party has many things in common with or similar to socialist parties, social democratic parties, and labor parties. On the basis of the spirit of surmounting our ideological differences and seeking mutual understanding and cooperation, we have exchanged opinions and carried out mutually beneficial cooperation with them and are making satisfactory progress in doing that.

Question: Are the four principles also applicable to relations between the CPC and friendly parties in Third World countries?

Answer: Yes. On the basis of the principles of independence, complete equality, mutual respect, and noninterference in each other's internal affairs, the CPC has already conducted diverse forms of contacts with the parties in power in most Third World countries and many of the lawful parties not in office there.

China belongs to the Third World. We and other Third World countries share a common historical experience and are faced with the same or similar tasks and problems. Our party and most of the political parties in these countries wish to establish and develop inter-party relations, believing that they will benefit both sides and enhance mutual understanding and friendship between their peoples.

Question: In conclusion, will you please briefly explain what is the general goal of the CPC in developing relations with various political parties in other countries?

Answer: Our general goal is to safeguard world peace and promote human progress. This is also an important integral part of our efforts to create a more favorable international environment for China's socialist modernization.

BEIJING RADIO REVIEWS FOREIGN RELATIONS

OW010222 Beijing Domestic Service in Mandarin 1150 GMT 31 Dec 85

["International Current Events Program" feature by (Zhou Zunlan) of the International Relations History Institute of the Foreign Affairs College: "China as an Important Peace-Keeping Force Is Active in the International Arena"]

[Excerpts] Under the guidance of the correct line of the 3d Plenary Session of the 11th CPC Central Committee, China has created a new situation in its foreign affairs. China is very active in international exchanges and our friends are indeed all over the world. China is playing a greater and greater role in opposing hegemonism and defending world peace. Socialist China as an important peace-keeping force is active in the international arena.

In recent years, China has further developed cooperation with many independent Asian, African, and Latin American countries in the political, economic, scientific and technological, and cultural fields. We have generally promoted our friendly relations and cooperation with our neighboring countries. Generally speaking, the development of Sino-Japanese relations is smooth. The relations between China and European countries have entered a new period, with rapid development in economic and technological cooperation. China and The United Kingdom have satisfactorily solved the Hong Kong question. The solution of the Hong Kong question has not only opened up better prospects for friendly cooperation between China and The United Kingdom but also provided a new experience for peaceful solution of questions left over from the past among nations. The concept of one country, two systems put forward by China will surely yield far-reaching influence on international relations.

The exchange of visits by Chinese and American leaders helps promote understanding and bilateral relations. Generally speaking, the development of Sino-American relations is quite stable. The major obstacle existing between the two countries at present is the Taiwan issue. This major obstacle will always remain a serious hidden problem if it is not removed.

Sino-Soviet relations have improved to a certain extent recently. However, the obstacles existing between the two countries have not yet been removed.

China's principled position in handling its relations with the United States and the Soviet Union is universally praised by the international community.

China is an important force in stopping or delaying the outbreak of a world war, preventing the United States and the Soviet Union from dominating and dividing the world, safeguarding world peace, and stabilizing the international situation.

China adheres to an independent foreign policy for peace that has created a very favorable international environment for our socialist modernization and made invaluable contributions to the cause of peace and progress throughout the world.

REAGAN NEW YEAR GREETINGS BROADCAST IN USSR

OW020256 Beijing XINHUA in English 0240 GMT 2 Jan 86

[Text] Washington, January 1 (XINHUA) -- U.S. President Ronald Reagan told the Soviet people today that although the summit meeting between him and Soviet leader Mikhail Gorbachev last November was a "good beginning" and opened a "fresh chapter" in relations between the two countries, "much work" remains to be done to bring peace to the world. Reagan made these remarks in a new year's message to the Soviet people, which was broadcast simultaneously here and in Moscow. A similar message from Gorbachev to the American people was also broadcast on U.S. television today. This is something which has never happened in the past between the two countries.

In his message, Reagan said while he and Gorbachev left Geneva with a "better understanding of one another of the goals we each have," there remain many areas in which "we did not agree." Asserting that both American and Soviet peoples share the hope of "peace, prosperity and good will," Reagan said, "Let's work together to make it (the year of 1986) a year of peace." He also stressed that the best way "to build mutual understanding is to allow the American and Soviet peoples to get to know one another better."

"A safe and lasting peace also requires finding peaceful settlements to armed conflicts which cause so much human suffering in many parts of the world," Reagan said, adding that "it is my hope that in 1986 we will make progress toward that end."

Reagan took the occasion to defend his "star wars" program saying that "both the United States and the Soviet Union are doing research on the possibilities of applying new technologies to the cause of defense." "If these technologies become reality," he asserted, it would eventually "free us all from the threat of nuclear destruction."

GORBACHEV MAKES TV ADDRESS TO AMERICAN PEOPLE

OW020650 Beijing XINHUA in English 0630 GMT 2 Jan 86

[Text] Moscow, January 1 (XINHUA) -- The Soviet Union and the United States should continue their constructive dialogue and make it successful this year, Soviet leader Mikhail Gorbachev said today in a new year's address to Americans.

In his address transmitted by U.S. television, Gorbachev said that the two countries "should follow the path of cutting back nuclear arsenals and keeping outer space peaceful." He said that his country attached great importance to the Soviet-U.S. disarmament negotiations in Geneva and "would very much like those talks to be successful this year."

In the address which lasted a few minutes, the Soviet leader stressed that "it is senseless to seek greater security for oneself through new types of weapons." The two superpowers should never be at war and a collision between them would be the greatest of tragedies, he added.

Gorbachev said it was absolutely essential to start remedying the existing lack of trust in Soviet-American relations. "The gap which divides us is still wide and bridging it will not be easy, but in Geneva we saw that it could be done," he concluded.

This evening, the Soviet television also broadcast live U.S. President Ronald Reagan's new-year address to the Soviet people. The exchange of messages between the two leaders, an unprecedented event in the history of Soviet-U.S. relations, is seen as a sign of improved relations between Moscow and Washington.

SOVIET COUNTERPROPOSAL SEEKS SEPTEMBER SUMMIT

OW020302 Beijing XINHUA in English 0245 GMT 2 Jan 86

[Text] Washington, January 1 (XINHUA) -- The Soviet Union has suggested September instead of June proposed by the United States, as a possible date for the next summit meeting between U.S. President Ronald Reagan and Soviet leader Mikhail Gorbachev, THE WASHINGTON POST reported today quoting State Department officials. The United States originally wanted the next summit to be held in June to avoid running too close to the fall U.S. congressional elections in which domestic as well as foreign policies are expected to be debated on a national scale.

The Soviet proposal was conveyed to the U.S. side through Ambassador Anatoliy Dobrynin. The counter-proposal by the Soviet Union was said to be out of concern that insufficient time will have elapsed for the two countries to have moved toward substantive agreements, especially in the important field of arms control. But a U.S. official said that Moscow wants to schedule the summit as close as possible to the fall elections in order to put maximum domestic pressure on the Reagan administration to make concessions.

The agreement for future summit meetings was one of the major results achieved at the first Reagan-Gorbachev summit in Geneva last November. According to the agreement, Gorbachev will visit the United States this year and Reagan will visit the Soviet Union in 1987.

WU XUEQIAN HOSTS RECEPTION FOR FOREIGN ENVOYS

OW301545 Beijing XINHUA in English 1436 GMT 30 Dec 85

[Text] Beijing, December 30 (XINHUA) -- Chinese Foreign Ministry held a new year reception for diplomatic envoys of various countries in Beijing and their wives here tonight. State Councillor and Foreign Minister Wu Xueqian played host at the reception, which was followed by a performance of songs and dances.

DPRK LEADERS FETE CHINESE COMRADES IN PYONGYANG

OW011424 Beijing XINHUA Domestic Service in Chinese 1510 GMT 29 Dec 85

[By reporter Gao Haorong]

[Text] Pyongyang, 29 Dec (XINHUA) -- Korean party and government leaders Pak Song-chol, Kim Yong-nam, Kim Pok-sin, and Chong Chun-ki as well as leading members of departments concerned joined Chinese comrades working and studying in Korea in greeting the 1986 new year at a banquet given by the Korean Administration Council at the People's Cultural Palace this evening.

During the banquet, Kim Yong-nam, member of the Political Bureau of the Workers Party of Korea Central Committee, vice premier of the Administration Council, and concurrently minister of foreign affairs, extended his new year greetings to the Chinese comrades. He said: 1985 has been a historic year in which the consolidation and development of Korean-Chinese friendship has reached a higher stage. Meetings and contacts between leaders of the two countries, as well as the exchanges of many delegations have further promoted the friendship and militant ties between the peoples of the two countries. He said that, under the leadership of the Chinese Communist Party, the Chinese people have achieved tremendous successes in their cause of achieving socialist modernization and in further heightening China's prestige in the international arena.

In reply, Chinese Ambassador to Korea Zong Kewen said: The Korean people have achieved great victories in their socialist economic construction in 1985. He said the multilateral talks and contacts between northern and southern Korea during 1985 will help ease the situation on the Korean peninsula and will help achieve Korea's independent and peaceful reunification.

DPRK FRIENDSHIP OFFICIAL SENDS NEW YEAR GREETING

OW010356 Beijing XINHUA in English 0247 GMT 1 Jan 85

[Text] Pyongyang, January 1 (XINHUA) -- Korea today congratulated China on its achievements in socialist construction in 1985 and expressed the hope that relations between the two countries will develop further in the new year.

In his radio speech Vice-Chairman of the Central Committee of the Korea-China Friendship Association O Mun-han said 1985 was a year of far-reaching significance, a year of continued development in friendship, unity and cooperation between the peoples of Korea and China. Chinese Communist Party leader Hu Yaobang's visit to Korea last May, O said, has further strengthened the comradeship between the leaders of the two countries and the friendship between the two countries has developed further.

In 1985, he said, the Korean and Chinese peoples commemorated the 35th anniversary of the Chinese People's Volunteers' anticipation in the Korea war against U.S. invasion, which once again forcefully demonstrated that the militant friendship and revolutionary unity between the Korean and Chinese peoples cemented with blood is unbreakable. O noted that the promotion of Korea-China friendship would be conducive to the construction in the two countries and play an important role in maintaining peace in Asia and the world.

DPRK OFFICIAL ATTENDS POWER STATION CELEBRATION

SK290323 Sheyang Liaoning Provincial Service in Mandarin 2200 GMT 27 Dec 85

[Text] The Taipingwan hydropower station jointly constructed by China and Korea held a victory celebration meeting on the afternoon of 27 December to mark the official feed-in of its first power generating unit to the power grid.

The Korean power delegation, led by Comrade Yi Chong-song, vice chairman of the Committee of Power Industry, made a special trip here to attend the meeting. Others attending were Zhang Fengxiang, vice minister of water resources and electric power of China; Cheng Jinxiang, secretary general of the Liaoning provincial government; Zheng Ping, mayor of Dandong City; (Zhang Ruming), vice mayor of Dandong City; and responsible persons of relevant provincial and city departments. Vice Minister Zhang Fengxiang and leader Yi Chong-song cut the ribbon for the station.

The grand spillway dam on the Yalu Jiang links with Korea's Pangsang-Nil of Sakju County in the east and with the Taipingwan of Kuandian County of China in the west. The total length of the top of the dam is 1,185 meters. It is at present one of China's longest dams of this kind. The total installed capacity of the power station is 190,000 kilowatts, and its average annual power output is 770 million kilowatt-hours. When completed and put into operation, it will supply power to China and Korea simultaneously.

JAPAN'S NAKASONE VIEWS TIES WITH PRC, USSR

OW311745 Beijing XINHUA in English 1632 GMT 31 Dec 85

[Text] Tokyo, December 31 (XINHUA) -- Japanese Prime Minister Yasuhiro Nakasone today stressed the need for improving Japanese-Soviet relations in the coming year. He hopes to see an environment for dialogue on a wide range of issues between the two countries and a consultative meeting to be held once a year between the two foreign ministers. He made the remarks in a new year message addressed to reporters of the Japanese Cabinet Journalists Association.

The prime minister said an exchange of visits between the two heads of state should be considered on the outcome of the two foreign ministers' meeting and the development of relations between the two countries. On the recent speculation that the Soviet Union will return two of the four northern islands to Japan, he said the four islands are Japan's inherent territories and Japan will never change its stand. It is Japan's consistent position to conclude a peace treaty after the territorial problem is solved, he said. He expressed his readiness to seek world peace and prosperity at the summit meeting of developed countries to be held in Tokyo next May.

Turning to domestic problems, the Prime Minister emphasized that 1986 is a year of great reforms for Japan. He promised to do his utmost to continue the administrative, financial and educational reforms, to seek a new economic growth and prevent conflicts in economic relations with other countries.

In a new year message to the Japan-China Friendship Association, Nakasone said since the normalization of Japan-China diplomatic relations, the two countries have laid a solid foundation for their friendly relations and cooperation. When he met Chinese Premier Zhao Ziyang in New York, he said, the two sides agreed to further develop the friendly relations between Japan and China in accordance with the Japan-China joint statement, the Japan-China peace and friendship treaty, and the four principles for the Japan-China relations. He said the most important thing is to promote the exchange of visits and unity between the young people of the two countries in order to enhance mutual understanding and mutual trust between the two countries and to establish an unshakable relationship that can withstand any storms.

RADIO BEIJING NEW YEAR MESSAGE TO PHILIPPINES

HK020409 Beijing International Service in Tagalog 1130 GMT 31 Dec 85

[Text] The following is the translation of a message from Radio Beijing's director (Cui Yiling): As we leave 1985 behind, we look forward hopefully to 1986. On behalf of Radio Beijing, we send you greetings for the new year. We hope the coming year will bring you further success, and health and happiness for you and your families. We also hope to continue receiving your letters during the coming year.

Last June, we celebrated an important page in the history of Chinese-Filipino relations: the 10th anniversary of the establishment of diplomatic relations between our two countries. The past period has seen the strengthening of this long-standing friendship that we believe will continue in the years to come. We have received many letters from you, our listeners in the Philippines, as well as from other places that Radio Beijing's Philippine service reaches. We give you our heartfelt thanks for your patronage and support of our program. It has been an inspiration for us to hear from you and it makes us more determined to continue our program in order to serve you. Let me end by thanking you all very much and wishing you happiness and success in the new year 1986.

HONG KONG OFFICIAL ON POLITICAL SYSTEM REFORM

HK010630 Beijing ZHONGGUO XINWEN SHE in Chinese 1417 GMT 30 Dec 85

[Text] Hong Kong, 30 Dec (ZHONGGUO XINWEN SHE) -- Hong Kong Secretary for Home Affairs [as received] Akers-Jones said today: Hong Kong's future political system reform must be based on the basic law. Concerned sectors will henceforth exchange views on this matter in order to carry out the joint declaration. Akers-Jones made this remark in his talk to reporters on Hong Kong's political and economic situation at the Hong Kong Government Information Office. He added: The United Kingdom is in charge of Hong Kong until 1997, and any reform will be carried out in an orderly, gradual way. At present, the Hong Kong Government continues to listen to opinions of people from various circles on reform of the political system, and will make its overall assessment in 1987. Akers-Jones believed that, regardless of what happens to Hong Kong's political institutions, Hong Kong's future political system reform must conform to the basic law.

Akers-Jones expressed his confidence in Hong Kong's economy next year. He pointed out: Hong Kong's tourist industry is in an excellent state and hotel rooms are expected to increase from 180,000 to 280,000 in the next 5 years. The number of travelers to and from Hong Kong and China is growing steadily. He estimated that the city's employment rate will remain at a relatively high level. Moreover, he said that a number of major projects will be undertaken next year, including the construction of the second underwater tunnel and the Shatin-Tsuenwan highway. In addition, government and private land developers will build some 300,000 residential units to house 1.3 million people in the next 5 years. These construction projects will provide excellent employment opportunities.

GU MU MEETS WITH HONG KONG BANKER, OTHERS

OW011956 Beijing XINHUA Domestic Service in Chinese 1644 GMT 31 Dec 85

[By reporter He Yunhua]

[Excerpts] Shenzhen, 31 Dec (XINHUA) -- State Councillor Gu Mu met today in Shenzhen with Zhuang Shiping, chairman of the Board of Directors of the Hong Kong Nanyang Commercial Bank and chairman of the Advisory Commission of the Shantou Special Economic Zone, and other well-known personages from Hong Kong whose native places are Chaozhou City and Shantou Prefecture.

He said: Implementing the policy of opening to the outside world and doing a good job of reforming the economic structure are the two basic policies for running special economic zones. They will not be changed for a long time.

Gu Mu warmly welcomed the well-known personages from Hong Kong whose native places were Chaozhou and Shantou and praised their patriotic action in supporting the construction of the Shantou Special Economic Zone. These well-known personages came to Shenzhen to attend a meeting sponsored by the Advisory Commission of the Shantou Special Economic Zone.

On the evening of 30 December, Gu Mu attended a 1986 new year soiree in Shenzhen City to greet the coming new year with party and government leaders of the Shenzhen Special Economic Zone and the workers who are building this special economic zone.

LI PENG MEETS HONG KONG PHOTOGRAPHIC ARTISTS

OW012000 Beijing XINHUA Domestic Service in Chinese 1559 GMT 31 Dec 85

[Excerpts] Beijing, 31 Dec (XINHUA) -- At the Great Hall of the People this afternoon, Li Peng, member of the Political Bureau and member of the Secretariat of the CPC Central Committee; and Ji Pengfei, state councillor and director of the Hong Kong and Macao Affairs Office, met with personages in the field of photography from Hong Kong and Macao who came to Beijing to attend the "Exhibition of Photographic Arts From Hong Kong and Macao," and had a group picture taken with them.

During their sojourn in Beijing, some 160 photographers from Hong Kong and Macao met with local photographers to exchange experiences and participated in various activities to enhance mutual friendship. They also visited a suburban farm and trade markets and the Shoudu Iron and Steel Company, watched a military demonstration performed by a certain PLA unit and took pictures at the Great Wall and in the Imperial Palace and other scenic spots. The Hong Kong and Macao delegation attending the "Exhibition of Photographic Arts from Hong Kong and Macao" will leave Beijing tomorrow.

SIHANOUK MEETS CAMBODIAN RESIDENTS IN HONG KONG

OW311546 Beijing XINHUA in English 1451 GMT 31 Dec 85

[Text] Hong Kong, December 30 (XINHUA) -- Samdech Norodom Sihanouk, president of Democratic Kampuchea, and Madame Monique Sihanouk tonight urged Kampuchean residents in Hong Kong to strengthen their unity to drive the Vietnamese aggressors out of Kampuchea.

Sihanouk briefed Kampuchean residents here at a meeting on the strengthening of cooperation and unity of the three patriotic forces of Democratic Kampuchea in their struggle against the Vietnamese aggressors and the increasingly important international position of the Coalition Government of Democratic Kampuchea. He also gave an account of the recent visit to China by the Democratic Kampuchean delegation led by himself, Prime Minister Son Sann and Vice President Khieu Samphan.

Sihanouk said that the Chinese Government and people are determined to firmly support, as always, the Kampuchean people's just struggle for five, ten or if necessary, 100 years until the Kampuchean people win complete victory. Sihanouk said: "We would close our ranks and strive to drive the colonial aggressors out of Kampuchea at an early date." After the meeting, Sihanouk and his wife gave a banquet for their Kampuchean guests, who presented the couple with a basket of flowers and gifts.

FURTHER ON QIAN LIREN DELEGATION VISIT TO INDIA

Indian Minister Hosts Dinner

OW010920 Beijing XINHUA in English 0909 GMT 1 Jan 86

[Text] New Delhi, January 1 (XINHUA) -- Venkateswaran, secretary of External Affairs Ministry of India, gave a dinner in honor of the visiting delegation of the Communist Party of China (CPC) led by Qian Liren, member of the CPC Central Committee and director of the PEOPLE'S DAILY here yesterday evening.

Venkateswaran said: "When I assumed office of ambassador in Beijing, the Congress Party and CPC started contacts. Now this process has yielded concrete result through your visit." Qian expressed his hope that relations between the two parties will further develop in the new year. Chinese Ambassador Li Lianqing was present on the occasion.

Qian Liren was invited to attend the centenary session of the Congress (Indira) Party held in Bombay around last weekend. President of the party and Prime Minister Rajiv Gandhi received Qian in Bombay after the inauguration of the session on December 28.

Meets CPI Leaders

OW010714 Beijing XINHUA in English 0659 GMT 1 Jan 86

[Text] New Delhi, December 31 (XINHUA) -- The members of the Central Executive Committee of the National Council of the Indian Communist Party (ICP) M. Farooqi and A.B. Bardhan met with the delegation of the Communist Party of China (CPC) led by Qian Liren, a member of the CPC Central Committee and director of the PEOPLE'S DAILY today. The ICP leaders expressed the hope that the two parties would increase contacts and make new efforts to develop further friendly relations between China and India.

Qian said that though there are difference on some issues between the two parties, relations will continue to improve as long as both parties look forward.

Meets CPI(M) Leader

OW010718 Beijing XINHUA in English 0701 GMT 1 Jan 86

[Text] New Delhi, December 31 (XINHUA) -- B. T. Ranadive, member of the Political Bureau of the Communist Party of India (Marxist) today had warm and cordial talks with the delegation of the Communist Party of China (CPC) led by Qian Liren, member of the CPC Central Committee and director of the PEOPLE'S DAILY. B. T. Ranadive briefed the delegation on the situation of the 12th Congress of CPI(M) just concluded and expressed the hope that exchanges between the two parties will be strengthened.

Qian said that in the last two years the relations between the two parties have been good. He believed the two sides can do a lot to further develop the relations. H. S. Surjeet, member of the CPI(M) Political Bureau was present on the occasion.

SINO-PAKISTAN BORDER PASS TO BE FULLY OPENED

OW010220 Beijing XINHUA in English 0115 GMT 1 Jan 86

[Text] Beijing, January 1 (XINHUA) -- The governments of China and Pakistan have agreed to open the Khunjerab Pass on the Sino-Pakistan border to personnel of third countries as from May 1, 1986, according to the Ministry of Foreign Affairs. China and Pakistan opened the pass to each other on August 1982.

PAKISTAN'S TRANSITION TO CIVILIAN RULE EXAMINED

OW310954 Beijing XINHUA in English 0828 GMT 31 Dec 85

["Year-End: Transition From Martial Law to Civilian Rule in Pakistan" -- XINHUA headline]

[Text] Islamabad, December 31 (XINHUA) -- The lifting of the eight-and-a-half-year-old martial law by President Ziaul Haq Monday completed the transition from military to civilian rule in Pakistan. The transition, praised by observers here as smooth and peaceful, was made possible largely by the political stability and the improvement of economic performance in the country in recent years.

Even so, the transition was a gradual haul. On December 19 1984, the transitional system of electing the president by a vote of the national assembly was replaced by a system which required a national referendum. The referendum gave Zia the post of president for a term of five years, thus creating conditions conducive for continuing the democratic process.

The democratic process got a further boost following the general elections held on February 25 this year, which Zia, the chief martial law administrator, had promised on August 12, 1983. The election, the third in the country's history, was held along non-party basis. 53 percent of the eligible voters turned out for the elections -- higher than in the two previous elections in 1970 and 1977. In addition, voting was orderly and peaceful, despite the boycott by an all-party alliance called the "Movement for Restoration of Democracy" (MRD). It reflected the aspiration of the majority of the Pakistani people for a quick restoration of democracy after the country's longest period of martial law which was imposed on July 5, 1977.

The military authorities accepted the results of the election, and a civilian cabinet with Mohammad Khan Junejo as prime minister and a party-less parliament were formed. Soon after, legislative preparations for lifting martial law got underway. The eighth constitutional amendment bill, which retains the laws and orders issued during the martial law period, was unanimously passed by the National Assembly and the Senate in October 1985, paving the way for the revocation of martial law. The adoption of the political parties act by parliament early this month put the finishing touches on the legislative actions necessary of the return of democracy.

After the general elections, the military authorities, though retaining martial law, relaxed control gradually to give the civilian Cabinet enough time to establish a government that could function peacefully. Meanwhile, Prime Minister Junejo demonstrated his administrative effectiveness. He consolidated his support in parliament, ensuring smooth passage of the eighth constitutional amendment bill and the political parties act. Junejo emphasized national unity and the strengthening of civilian institutions. He also continued to pursue the Islamisation of the country where Muslims account for 97 percent of the total population.

An improvement in economic performance during the martial law period was another factor that helped make the transition smooth. Soon after taking over political power, the military authorities took several economic initiatives measures including denationalization, reactivation of private investment, agricultural price hikes, and promotion of exports.

As a result, foreign aid to Pakistan increased, home remittances by Overseas Pakistani picked up sharply, and good agricultural harvests were attained for several successive years. All these factors combined to produce an annual increase of over six percent in the gross national product since 1978, compared with the 1.2 percent growth rate in 1977.

Though a smooth transition has been achieved, difficulties still lie ahead. The MRD has so far refused to recognise the legitimacy of the general election. Several labor strikes and murders have occurred in the last few months, casting a shadow over the stability of social order in the country. Externally, the menace posed by the continued Soviet occupation of Afghanistan persists. The three million Afghan refugees, who were forced to flee to Pakistan due to the Soviet invasion of their country, pose an increasingly heavier burden on Pakistan's national economy.

In view of the difficulties ahead, the new government has time and again expressed its willingness to hold dialogues with the MRD. It has also reiterated that it will strive to help bring about an early political settlement of the Afghanistan problem in the light of relevant United Nations' resolutions while maintaining its principled stand on Soviet withdrawal from Afghanistan.

XINHUA YEAR-END ROUNDUP ON NEPAL PEACE PROPOSAL

OW280810 Beijing XINHUA in English 0753 GMT 28 Dec 85

["Year-End Roundup: Eleven More Countries Support Nepal's Peace-Zone Proposal" -- XINHUA headline]

[Text] Katmandu, December 28 (XINHUA) -- 1985 has seen 11 more countries supporting Nepal's proposal to make the country a zone of peace, thus bringing the total number of supporters to 69 countries. The proposal was put forward by King Birendra Bir Bikram Shah Dev in February 1975, on the occasion of his coronation.

Among the new supporters are countries having no diplomatic ties with Nepal. All the permanent members of the U.N. Security Council have expressed support for the proposal except the Soviet Union. The proposal has been written into the country's Constitution as one of the guidelines in its foreign affairs.

The Nepalese Government and the king himself have been trying to make the proposal known to more outsiders in various ways including the exchange of visits. They also wish that certain big nations, such as India and the Soviet Union, would support the proposal. Nepalese Foreign Minister Ranadhir Subba has said, "efforts to enlist the support of India and the Soviet Union should continue." Prime Minister Lokendra Bahadur Chand has stressed that a peaceful and stable Nepal will have a positive effect on peace and stability in Asia, the Pacific region and beyond.

When he announced the proposal ten years ago, the king said, "we need peace for our security, we need peace for our independence and we need peace for development." As to the binding force of the proposal when it is accepted by the world community, the Nepalese Government has pledged that Nepal on its part will not resort to the threat or use of force which might endanger the peace and security of other countries; it will not interfere in the internal affairs of other states; it will not permit any activities on its soil that are hostile to other states supporting this proposal; and it will not enter into military alliances nor will it allow the establishment of military bases on its soil.

LI PENG MEETS FRENCH, UK AMBASSADORS, OTHERS

OW011553 Beijing XINHUA in English 1544 GMT 1 Jan 86

[Text] Beijing, January 1 (XINHUA) -- Vice-Premier Li Peng met here tonight with British Ambassador to China Richard Evans KCMB and French Ambassador to China Charles Malo. Also among the guests was a British delegation from the GEC Turbine Generators Limited led by managing director R.J. Davidson.

Li Peng expressed his congratulations on the recent signing of the memorandum understanding between the Guangdong nuclear power joint venture company and companies of Britain and France on final price negotiations for major equipment and service supply for the planned Guangdong nuclear power station. Noting that the memorandum understanding is a good beginning for the project, Li Peng hoped that all parties related would further strengthen their cooperation to materialize what have been written in the documents.

The planned Guangdong nuclear power station with a designed capacity of 1.8 million kw will be the first big one of its kind in China. Hong Kong will be the major user of its electricity. "Its completion will serve the long prosperity and stability of Hong Kong," Li Peng said.

ENTRY OF SPAIN, PORTUGAL TO EC AIDS UNITY

OW311346 Beijing XINHUA in English 1313 GMT 31 Dec 85

["Commentary: New Chapter in Annals of West European Integration (by Yang Yuanghua)" -- XINHUA headline]

[Text] Beijing, December 31 (XINHUA) -- A new chapter in the annals of the European Communities (EC) will be opened up tomorrow as Spain and Portugal will enjoy full EC membership and participate in the integration process of Western Europe. From January 1, the number of EC member countries will increase to 12 from the present ten. The entry of Spain and Portugal into the EC will make the Community embrace a population of 320 million, the largest common market in the world. The enlarged Community will undoubtedly play a more important role in safeguarding world peace and stability.

Post-war Europe has been a key area for the superpowers' contention for world hegemony. In order to safeguard their own independence and interests, France, Federal Germany, Italy, the Netherlands, Belgium and Luxembourg signed the Treaty of Rome in 1957 to officially set up the EC. The Community expanded to nine members after Britain, Denmark and Ireland joined in 1973. Greece became a full member in 1981. Now, the accession of Spain and Portugal ushers in a new and important stage of development for the Community.

Located in the southern tip of Europe, Spain and Portugal hold the strategic passage between the Atlantic and the Mediterranean. The long separation of the two countries from the integration process of Western Europe has brought an unfavorable influence upon the political stability, economy and defense of Western Europe. Spain and Portugal formally requested EC membership in 1977 and after several years of tough negotiations, signed agreements to join the 10-member organization in May this year.

Spain and Portugal have historical and cultural ties with the other West European countries and have made contributions to the European civilization. Both countries have close links with the developing countries in Latin America and Africa in the fields of economy and culture. Their EC membership will help strengthen relations between the Community and the Third World countries in the North-South dialogue.

The entry of Spain and Portugal into the EC will not only benefit their own political stability and economic development but also enhance the Community's political and economic strength. With its total value of gross domestic product (GDP) reaching 2,000 billion U.S. dollars, the community will become a major economic bloc and the biggest trading group in the world. In addition, their EC membership will also add new vitality to the community. However, their entry will also saddle the EC with new problems.

First, the expansion of the EC will worsen the unevenness in economic development among the member countries. For example, annual per capita incomes in Portugal and Spain register only 2,100 and 4,100 U.S. dollars respectively while those in Denmark and Federal Germany stand at more than 10,000 U.S. dollars. The uneven development in economy among EC countries will aggravate unemployment and inflation in the community. Prospects of closer monetary and economic union are likely to become even more distant.

Second, there exist large differences in economic structures between Spain and Portugal and other EC member nations. Spain and Portugal have more farmers than the others, so the EC rural population will increase by 50 percent and agricultural products will grow by one fourth. This will also aggravate the EC's financial difficulties in controlling the enormous agricultural spendings and have inverse effects on the agricultural development of the Mediterranean countries. Meanwhile, the industries of Spain and Portugal long protected by high tariff barriers will be hit by cheaper industrial products from elsewhere in the Community. The EC's enlargement will also make its decision-making more difficult. Although the EC summit conference held in Luxembourg early this month agreed in principle on limiting the use of the majority voting system, the expansion of the EC membership will certainly make discussions of issues more complicated and decision-making more difficult.

More and more Europeans are aware that European integration is the only way for Western Europe to ensure common development and safeguard independence. The realization of Spain's and Portugal's desire for admission to the EC reflects the common views of the West European countries. Turkish Premier Turgut Ozal said recently that Turkey was considering the possibility of joining the EC. Cyprus Foreign Minister Yioryios Iakovou also said Cyprus would subsequently request full EC membership. This shows that the European Communities will continue to advance on the road to integration and development.

XINHUA 'YEAR-ENDER' ON FRENCH POLITICAL SITUATION

OW291659 Beijing XINHUA in English 1639 GMT 29 Dec 85

["Year-ender: A Changing France -- (by Wang Wei)" -- XINHUA headline]

[Text] Paris, December 29 (XINHUA) -- The Socialist government of France will face a serious test in 1986 with the legislative elections to be held in March next year. The government came to power in 1981 and has pursued an independent foreign policy which generally enjoys popular support in the country. However, its economic policies and social problems are being challenged by opposition parties.

France's diplomacy was indeed very active this year. The "Eureka" program it put forward received widespread support from West European countries and was put into force. Meanwhile, the Paris-Bonn "special relationship" was maintained through the exchanges of visit between the leaders of the two countries. In its relations with the United States and the Soviet Union, France adhered to an independent position in its own interests. It also continued to develop its ties with the Third World. But the sinking of the Greenpeace ship Rainbow Warrior by French secret agents soured the relations between France and the countries in the South Pacific, especially New Zealand.

In the economic field, the French Government has attained some achievements this year. But there exist a number of difficulties. 1985 is the third year during which the government implemented an austerity policy. While insisting on the policies of "modernization" and "nationalization", it adjusted the country's economic structure, reduced government expenditures and controlled prices and wages. The adjustment reflected the socialists' efforts to seek a change in stability in line with the changing situation. These measures reduced inflation rate from 14 percent in 1981 to 6.7 percent in 1984. The 1985 rate was estimated at 4.6-4.7 percent, a record low in 14 years and close to the government-projected 4.5 percent.

International balance of payments this year may have a small surplus as against a deficit of 6.6 billion francs in 1984. The fixed domestic capital investment appeared on the increase. However, France's economy has yet to get an all-round recovery. According to the National Statistics Institute, this year's economic growth stood at only 1.1 percent and the rate will reach 1.9 percent in 1986, a figure close to the average growth rate of the European Economic Community's countries as a whole.

The toughest problem besetting the government is unemployment. The unemployment rate is expected to rise to 11.25 percent in 1986 as against 9.3 in 1984 and 10.5 in 1985. The number of unemployed will reach 2.6 million by the beginning of 1986, a post-war record. People are deeply worried that such a situation may bring about social unrest.

The ruling Socialist Party's preparations for the March elections is now in full swing. It is believed that the party might lose many votes in the elections due to the economic problems, particularly the serious unemployment. The opposition parties are also busy preparing for the elections, trying to recapture the political power. A big debate is now going on in the French political arena as the election campaign evolves in the country.

One of the subjects in debate is foreign immigration. The extreme rightists are instigating hostility against immigrant workers and attacking the government under the pretext that the immigrants have worsened the unemployment and social security problems. The opposition also attributes the weak economic recovery to the nationalization policy of the government and raises the slogan of "denationalization". But no good and widely-supported way to greatly brighten the French economic prospects can be found by the opposition as an economic stagnation is still prevailing in the West as a whole.

France is standing at the crossroads. If the Socialist Party loses its National Assembly's majority in the next year's elections, a difficult situation of a left-wing president and a right-wing prime minister would emerge for the first time in the history of the Fifth Republic. If this should happen, the country would enter a still more complicated and volatile period. But no one is sure what the outcome of the coming elections will be.

POLAND TO EXCHANGE TEACHERS OF COAL MINING WITH PRC

OW312110 Beijing XINHUA Domestic Service in Chinese 0752 GMT 28 Dec 85

[By reporter Wen Yuren]

[Text] Warsaw, 27 Dec (XINHUA) -- A Chinese delegation from institutions of higher learning on coal mining, which concluded its visit to Poland today, reached an agreement with the relevant department in Poland according to which, from 1986 to 1987, China will dispatch four teachers from its institutions of higher learning on coal mining to Poland, while Poland will send eight such teachers to China to give lectures.

Liu Tingcheng, head of the Chinese delegation and deputy director of the Xian Mining Institute, said: So many teachers will visit each other's country to give lectures in a planned manner. This is the first exchange of its type in the history of cooperation in coal mining technology between China and Poland.

China's output in hard coal tops the world. Poland ranks fourth, but its per capita output is the highest in the world. It has its own special characteristics in developing coal mining technology and safety measures. In certain fields, Poland stands in the world's forefront. There are bright prospects for the two countries in mutual cooperation in teaching and scientific research in the field of coal mining.

The Chinese delegation visited Poland from 6 to 27 December. It reached an agreement with the Silesia Institute of Technology and the Krakow Institute of Mining and Metallurgy on a cooperative plan for scientific research and teaching between 1986 and 1987. The plan also stipulated that the two sides will send young teachers to each other's country to exchange reference materials in teaching coal mining in institutions of higher learning.

TRADE WITH HUNGARY EXPANDED RAPIDLY IN 1985

OW280746 Beijing XINHUA in English 0729 GMT 28 Dec 85

[Text] Budapest, December 27 (XINHUA) -- The trade volume between China and Hungary reached 740 million Swiss franc this year, compared with 186 million Swiss franc in 1983. New channels for expanding economic cooperation and trade between the two countries have been formed over the past few years. In addition to traditional commodities, China exported more than 10,000 tons of soy bean and cotton to Hungary and imported, 2,700 automobiles from it. Meantime, China also increased the export of textiles and light industry products to Hungary.

The two countries' cooperation in production has been established in shoe-making and other machinery fields. China imported a refrigerator assembly line from Hungary.

In recent years, both countries have strengthened the exchanges of visit by their economic and trade personages. Last May, Chinese Vice-Premier Li Peng signed with his Hungarian counterpart a long-term agreement covering the period of 1986-1990. The agreement, designed to double the trade volume between the two countries over this period to three billion Swiss franc, indicates that their economic and trade relations have entered a stage of stable development. The two countries have exchanged delegations to inspect each other's industrial, agricultural projects and commercial institutions.

In 1984, Hungary held an industrial exhibition in Beijing after China took part in the 1983 Budapest fair. This year, China staged three exhibitions on crafts, textiles and light industry products in Budapest.

SFRY DIPLOMACY AIDS RELAXATION OF TENSIONS

OW011222 Beijing XINHUA in English 1152 GMT 1 Jan 86

["Roundup: 1985: Vigorous and Fruitful for Yugoslavia's Diplomacy (by Correspondent Li Daijun)" -- XINHUA headline]

[Text] Belgrade, January 1 (XINHUA) -- 1985 was a busy and fruitful diplomatic year for Yugoslavia. Yugoslav leaders and high-ranking officials met with their counterparts from all the Balkan countries, the 57 non-aligned countries, China, the United States, and most of the European nations, including the Soviet Union, said Raif Dizdarevic, federal secretary of foreign affairs. In addition to the meetings with the 57 non-aligned countries, Yugoslavia held 80 summits and high-level bilateral talks, he added. Through these frequent, and often extensive, diplomatic activities, Yugoslavia contributed to the relaxation of international tension and the consolidation of peace and world security.

As a Balkan country, Yugoslavia gives priority in its foreign policy to the development of friendly relations and cooperation with its neighboring countries. This year, Yugoslavia's leaders met with the leaders of Italy, Austria, Greece, Bulgaria, Romania and Hungary, and for the first time in recent years, ministerial-level contacts were made with Albania.

During the 8th non-aligned ministerial conference in Luanda, Angola, in September 1985, Yugoslavia worked hard to firmly preserve the movement's independence and to oppose external interference. It promoted the mutual understanding and accommodation among the movement's member states, seeking common ground while reserving differences and maintaining unity. The country thus made its contribution to the preparatory work for the 8th non-aligned summit to be held in Harare, Zimbabwe this year. Yugoslavia's relations with China further developed in 1985 with several exchange visits by party and state leaders.

A rigorous diplomatic agenda paid off as many of the country's economic achievements are directly attributable to its economic cooperation with foreign countries. Yugoslavia's trade volume with its neighboring countries totalled four billion U.S. dollars in 1985, accounting for one fifth of the country's foreign trade. The economic cooperation was accomplished through boundary trade agreements, joint ventures and joint scientific and technological program. At the same time, Yugoslavia signed agreements with some of its neighbors, including Albania, on the specialized division of industrial production.

Diplomatic negotiations also managed to ease, at least to some extent, the debt issue, which has long been a thorny problem for Yugoslavia. Beginning in January 1985, Yugoslav leaders paid visits to the United States, France and other Western industrialized nations. After hard bargaining with these creditors, Yugoslavia finally won a deferment on the payment of its debt, which totals more than 10 billion U.S. dollars.

At the same time, special attention was also given to reducing the unfavorable balance of trade with the United States and Western developed countries. While demanding greater freedom to export into those countries, Yugoslavia doubled its efforts in developing joint venture projects with these nations. To date, Yugoslavia has signed ten agreements of long-term cooperation and joint venture projects with the United States, France and Federal Germany. The Jugo car, which is the result of a joint venture with the U.S., is an excellent example of the great strides Yugoslavia has made in its economic development.

CHINA DAILY DISCUSSES AFRICAN NATIONALIZATION

HK310637 Beijing CHINA DAILY in English 31 Dec 85 p 4

[By Wang Qinmei, a member of the Chinese Society of African Studies]

[Text] After getting rid of colonialist rule, many African countries have taken various measures to nationalize their economies. World opinions have since varied regarding this. In recent years, some opposing views have prevailed. But I believe that nationalization of the economy by African countries should neither be totally affirmed or negated.

The positive role in developing national economies of African countries and consolidating their political independence should be recognized. Some African countries had to take over foreign capital to safeguard political independence and national interests. Those measures were justified.

For example, in the years immediately after the Republic of Guinea won independence, French colonialists attempted to topple the new government by withdrawing aid and personnel and causing disorder in the banking and financial system. The Guinea Government under President Sekou Toure waged a tit-for-tat struggle by withdrawing from Franc Zone and taking over a large number of mines and enterprises funded with French capital. Thus its national independence and economic interests were safeguarded.

Nationalization was also necessary for African countries to develop their economies. In the early days of independences, individual national capital was weak and small and could not contend with Western monopolist capital. National economic development required that African governments took different measures in the light of their own conditions, and established and expanded state-run enterprises. Under set conditions, African countries nationalized unlawful foreign-owned enterprises engaging in supply of daily necessities or fixed sale prices and even provided subsidies to ensure residents' basic needs. These measures helped stabilize social order and the political situations.

However, in the process of nationalization, there were indeed some problems. For instance, some African countries did it too hastily, causing capital outflow in large amounts and strains on their economies. Lacking funds, technology and managerial personnel, many state-run enterprises are poorly managed, economic results are unsatisfactory and some have even become a heavy burden on state finances.

Generally speaking, the African economy is a transitional economy. It still needs co-existence of state-owned economy and other economic sectors. A more active role for individual capital is necessary to promote the stable expansion of African national economies.

UAE PAPER PRAISES PRC'S FOREIGN POLICY

OW020246 Beijing XINHUA in English 0158 GMT 2 Jan 86

[Text] Cairo, January 1 (XINHUA) -- "China's attitude deserves respect as its foreign policy is based on mutual respect and non-interference in domestic affairs of other countries, equality and peaceful coexistence," said AL WAHDA, the Arabic-language newspaper of the United Arab Emirates (UAE) in a recent commentary reaching here today. The paper attributed the rapid development of the relations between UAE and the People's Republic of China in the past year "to mutual keenness to maintain strongly friendly relations which serve the interests of the two peoples and the international community in general."

The paper added that the UAE wants to develop its links with China because China "has long advocated Arab causes and has taken a positive stand vis-a-vis the Arab-Israeli dispute and the issue of international security and peace."

YAO YILIN ATTENDS RECEPTION BY SUDANESE ENVOY

OW311240 Beijing XINHUA in English 1222 GMT 31 Dec 85

[Text] Beijing, December 31 (XINHUA) -- Sudanese Ambassador to China Muhammad Hamad M. Matar and his wife gave a reception here this afternoon to celebrate the 30th anniversary of independence of the Sudan. Vice-Premier Yao Yilin attended the reception.

UGANDAN LEADER MEETS WITH CHINESE CHARGE

OW010710 Beijing XINHUA in English 0647 GMT 1 Jan 86

[Text] Kampala, December 31 (XINHUA) -- Uganda's Chairman of the Military Council and head of state General Tito Okello met Chinese Charge d'Affaires Xu Ming Yuan here today. At the meeting, Xu Ming Yuan extended his warm congratulations for the peace accord signed recently in Nairobi, between the government and the National Resistance Army (NRA), the government's main opponent and the largest of five anti-Obote guerrilla groups in Uganda.

During the meeting, Okello expressed the hope to further develop friendship between the two countries. It is the fourth time for Okello to meet the head of Chinese diplomats after the July coup this year.

NEW SIERRA LEONEAN PRESIDENT RECEIVES PRC ENVOY

OW311911 Beijing XINHUA in English 1851 GMT 31 Dec 85

[Text] Freetown, December 31 (XINHUA) -- Major-General Joseph Saidu Momoh, new president of Sierra Leone, received Chinese Ambassador Luo Jiahuan at the state house here today.

The Chinese ambassador expressed his warm congratulations to Momoh on his assumption of the presidency. In what was described as a cordial and friendly atmosphere, the two sides exchanged views on the furtherance of friendly relations and enhancement of economic and technical cooperation between the two countries.

RENMIN RIBAO EDITORIAL USHERS IN NEW YEAR

HK020816 Beijing RENMIN RIBAO in Chinese 1 Jan 86 p 1

[Editorial: "Let the Spirit of the Foolish Old Man Fill the Divine Land -- 1986 New Year Message"]

[Text] With bells ringing and songs chanted loudly, we have crossed the demarcation line between the old year and the new year and the demarcation line between the Sixth 5-Year Plan and the Seventh 5-Year Plan, and ushered in the year of 1986!

The past 5 years constitute a period in which the entire nation -- from the leadership to the masses -- has followed the direction charted by the 3d Plenary Session of the 11th CPC Central Committee, brought into full play the spirit of the foolish old man, united as one, overcome all difficulties, and opened up a path on which to forge ahead. During these 5 years, we have extensively eliminated chaos and restored order, resolutely shifted the focus of the work of the whole party to promoting socialist modernization, and gradually carried out an overall reform of our economic structure in both rural and urban areas. We have upheld the four fundamental principles, promoted the four modernizations program with one heart and one mind, concentrated our efforts in developing the productive forces, and begun to locate a socialist road with Chinese characteristics. We have done quite well over the past 5 years: The country experienced one of its best periods since the founding of the nation with the consolidation of our unity and political stability, the rapid expansion of our economy, and a gradual improvement in the people's living standards.

The next 5 years will be a period in which we will implement our Seventh 5-Year Plan. We have all the conditions to expect that we can do better in the next 5 years. We have even more unified ideas and knowledge, an even more solid material foundation, even more clear-cut and coordinated policies, an even more rational infrastructure for cadres, and an international environment even more conducive to the four modernizations program as compared with the past. In short, right now, the general principles have been established and the objective conditions are excellent. The key lies in how we try our very best to seek truth from facts, do things in a down-to-earth manner, and turn this magnificent blueprint into a splendid reality. It is most important that the whole nation -- from the leadership to the masses -- even more resolutely implements the line, principles and policies laid down since the 3d Plenary Session of the 11th CPC Central Committee, strengthens our sense of organization and discipline, and continues to display the spirit of the foolish old man.

When we talk about displaying the spirit of the foolish old man, we mean that we must remain firm and indomitable at all times, quietly immerse ourselves in hard work, and do things with relentless perseverance, forge ahead despite difficulties, and refuse to stop until our goal is achieved. Our nation and our revolutionary ranks are imbued with this kind of spirit. Our victories in the war of resistance against Japan and the war of liberation were victories that we won under the leadership of the party by transforming the old world with the spirit of the foolish old man. Now, in developing socialist material civilization and spiritual civilization and building a prosperous China, there is an even greater need for all the people to work hard with great perseverance and with one heart and one mind. Additionally, all the people in the nation -- from the top to the bottom level -- must study and master science, general knowledge and technology, pay attention to economic results and act like the foolish old man of the new era.

"When the people work with one heart and one mind, they can remove Tai Shan." In displaying the spirit of the foolish old man, we must unify our ideas and knowledge. We were able to record significant achievements over the past 5 years because of the correctness of the series of major policy decisions made by the party and because of the unified knowledge of the broad masses of cadres and people regarding this series of major policy decisions. Now, we talk about unified ideas. First of all, we must form correct ideas on the current situation and tasks in carrying out reform. Reform is our party's primary task. It is impossible to accomplish the reform in one move. Nor can we expect to fulfill our tasks regarding the reform without encountering any problems. We can only advance step by step in the course of exploring our way, overcoming difficulties and obstacles, and resolving any new instances involving a lack of coordination. In carrying out reform last year, we made a giant step forward in urban as well as rural areas, and met the requirements put forward at the beginning of the year to "be prudent in fighting the first battle and be sure to win." In this year, we should mainly concentrate our efforts in consolidating, digesting and supplementing the achievements that we had already scored in carrying out reform; promote what is beneficial and abolish what is harmful; and solve outstanding problems so that our reform will yield even better results. At the same time, we must earnestly conduct investigation and study, explore ways and carry out experiments, and be prepared to make an important step forward for the next year's reform. When our knowledge is unified and our actions are concerted, they will become a tremendous material strength.

In displaying the spirit of the foolish old man, it is necessary to make no empty talk, do more actual deeds and wholeheartedly serve the people. Right now, there are people even among our cadres who are bureaucratic to a serious extent. They talk glibly while shifting responsibilities onto others and spoiling things that can be done well. There are also a few individuals who cause the people to complain because they engage in unhealthy practices. Still others exaggerate negative things and spread pessimism. To push the cause of socialist modernization forward, we must work conscientiously and cautiously, go all out to make the country strong, and encourage healthy trends, while checking unhealthy tendencies. Right now, to continuously carry out the work of party rectification in grass-roots units conscientiously is of great significance. The leading organs and leading cadres at all levels must play their exemplary role well. All honest communists must do their best to bring about a fundamental change for the better in party style and social conduct and do a good job in developing material civilization and spiritual civilization.

In the past year, China also won new victories in foreign affairs. During the new year, we must continue to pursue an independent, peaceful, and open policy in handling foreign affairs, develop cooperation with all countries that follow the policy of equality and mutual benefit toward China, and strengthen unity with all peace-loving peoples in the world in opposing the arms race and defending world peace.

The next 5 years are of great importance. We will have full confidence in realizing our magnificent goal to be fulfilled by the turn of this century as set by the 12th National CPC Congress if we can continue to carry out our reform smoothly, develop our economy continuously and steadily and in a coordinated manner, and improve our party style and social conduct during these 5 years. Let us bring into full play the spirit of the foolish old man, unite as one, and work harder than ever before to score fresh achievements and create a splendid future!

NEWSPAPERS PUBLISH NEW YEAR EDITORIALS

HK010534 Beijing ZHONGGUO XINWEN SHE in Chinese 0321 GMT 1 Jan 86

["Beijing Papers Publish Messages To Greet New Year" -- ZHONGGUO XINWEN SHE Headline]

[Excerpt] Beijing, 1 Jan (ZHONGGUO XINWEN SHE) -- GONGREN RIBAO writes in its new year message entitled "Do Solid, Hard Work and Advance Bravely:" During 1984-1985, the CPC Central Committee made decisions on structural reforms in economy, science and technology, and education, and later the National Conference of Party Delegates approved a proposal on the Seventh 5-Year Plan. Now, specifically speaking, the main political guideline has been clearly set down. The task facing the working class and the people of the whole country is to put this into practice in a sound and down-to-earth way, keep on fighting in spite of all setbacks, and do solid, hard work to press forward our great cause.

JINGJI RIBAO says in its new year editorial, "Make a Success of Work During the First Year of the Seventh 5-Year Plan," that we are now in a period of changing over from all the new systems; we are now starting to set up the new systems, while the old ones are still playing a part. Certain reform measures need further perfection and completion. The editorial points out that we must work hard this year to harmonize the various economic relationships and also to consolidate, digest, and supplement the reform measures. We must work hard to maintain a sustained, steady, and coordinated development of the national economy.

JIEFANGJUN BAO's new year message said that in the world today the size of the country's standing army is not the fundamental hallmark of its fighting capacity, nor is it the main expression of national defense strength. Improving quality and correspondingly reducing the number of troops and promoting professionalization is an outstanding feature of army building in various countries. Our Army's fighting capacity is being strengthened, not weakened, by reducing its size by 1 million. Speaking on the building of a modern, crack force, the paper stresses: "Gaining more than 10 years or several decades of relatively stable peaceful environment represents an historic opportunity, whether in building the country or in building the Army. We must cherish this excellent opportunity and do our work well."

ZHONGGUO QINGNIAN BAO and BEIJING RIBAO publish editorials respectively titled "Wishing You Success" and "The 'Great Climate of Our Times' -- To Regard Being Advanced as Glorious," which extend new year greetings to readers.

State Physical Culture and Sports Commission Chairman Li Menghua publishes a new year message in TIYU BAO, titled "Clear the Way for the Advance To Build China Into a Sporting Power."

HU YAOBANG VISITS XISHA ISLANDS TROOPS ON NEW YEAR'S

OW020405 Beijing XINHUA Domestic Service in Chinese 1613 GMT 1 Jan 86

[By reporter Zeng Jianhui]

[Text] Guangzhou, 1 Jan (XINHUA) -- While spending New Year's Day with the commanders and fighters of the garrison forces in the Xisha Islands, Hu Yaobang, general secretary of the CPC Central Committee, said today: The Chinese people's primary task in the new year is to undertake the four socialist modernizations wholeheartedly.

In other words, we should strive for the prosperity of the country and the people, while assuming the sacred duty of safeguarding world peace. It is China's basic national policy that we do not want one inch of land from any foreign country, and we will not allow anyone to seize one inch of land from our great motherland either. The Chinese people will never bully any country, while opposing attempts by any hegemonist to bully small, weak nations. We shall resolutely support the Cambodian people in carrying their patriotic struggle against Vietnamese aggression through to the end.

It was New Year's Day 1986 today. Winds were strong and seas heavy in the South China Sea around the Xisha Islands, far from Hainan Island. On Yongxing Island, Comrade Hu Yaobang cordially met with garrison troops and local cadres and bid them make greater contributions to our motherland and the people in the new year. He planted a coconut tree on the island. In order to do so, he poured a crate of soil from Zhongnanhai in Beijing, which he specially brought to the island for the tree-planting, around the roots, and then mounded it up. He also presented the fighters with some books and videotapes, such as "Four Generations Living in the Same House."

The Xisha Islands, consisting of several dozen islets, reefs, sandbars, and banks of various sizes, are situated more than 300 km south of Hainan Island. The largest islet is less than 2 square km in area, while the smallest is only a few hundred square meters. Nevertheless, there are abundant natural resources in the region, with a large amount of underwater mineral deposits and rich tropical fishing grounds, teeming with red snapper, grouper, lobster, hawksbill turtles, and seaweed, in the vicinity. The Xisha Islands, in the southern part the South China Sea, shielding the motherland's continent and Hainan Island, are located in a very important, strategic position.

Comrade Hu Yaobang made the special trip to Xisha to visit PLA garrison troops guarding the farthest outposts in the South China Sea day and night. He traveled by helicopter, which took off from Lingshui, Hainan Island, on the morning of 31 December. The helicopter flew southeast across the vast sea and reached the Xisha Islands in about 2 hours. Golden sandbars in the blue sea are like huge ribbons surrounding green islets, and the Xisha Islands are like brilliant pearls studding the vast blue sea.

The helicopter landed at Shanhu Island. Comrade Hu Yaobang walked to inspect some defense works on the island as soon as he left the helicopter. He cordially shook hands with, and give his regards to, the fighters on guard duty there. He also viewed nearby islets through a telescope, and inspected vegetable patches kept by the fighters. When he walked past a weather station, he asked the staff members there about their life on the island. Despite frequent sea breezes, Comrade Hu Yaobang in his summer suit was still wet with perspiration. Shanhu Island is a small islet only 0.31 square km in area. The dense vegetation on the island gives people an impression that the island is full of vitality.

At noon, Comrade Hu Yaobang joined the fighters of a company at lunch in their dining hall and chatted with them. On behalf of Comrades Deng Xiaoping, Zhao Ziyang, Li Xiannian, and Chen Yun, he wished the fighters a happy new year, and warm applause immediately broke out in the dining hall. Comrade Hu Yaobang talked cheerfully and humorously. He said: All of you young people know how to sing "The Full Moon." A verse in the lyrics is "the prosperity of the motherland is attributed to your [singular] contributions and my contributions." This is the dialogue between a fighter, far away at home, and his wife. We should change the two pronouns into plural form to mean that you, the commanders and fighters of the glorious PLA Army, Navy, and Air Force, have made contributions to the defense of our four modernizations and peace, and that we, including workers, peasants, intellectuals, democratic party members, patriots, cadres and staff members at all levels, have made contributions to the initial prosperity of our motherland.

Today, when we have bid farewell to the year 1985 and ushered in 1986, the people of various nationalities throughout the country, have not forgotten, and surely will not forget, the glorious PLA. His words made the fighters very happy. After lunch, Hu Yaobang, full of zest, walked around the island and visited the cadres and fighters in all barracks. In addition to shaking hands with the fighters, he asked them their names, ages, hometowns, and about their working conditions and families. Later, he held a discussion with the representatives of the cadres and fighters of the defense force on the island.

Comrade Hu Yaobang left Shanhu Island by helicopter, flew east for 20 minutes, and arrived at Yongxing Island, the main island of the Xisha Group, at 1600. Yongxing Island, approximately 1.8 square km in area, is the political, economic, and cultural center of the Xisha Islands. There are some unique buildings, with a contrasting background of green trees. Without any rest, Hu Yaobang immediately visited the staff of the office of the Xisha, Nansha, and Zhongsha Islands. Then, he drove to Zuoyou Island across a long dike and inspected defense works there. He returned to Yongxing Island to have dinner with the fighters and spent the last night of 1985 on the island.

Comrade Hu Yaobang met with the Xisha garrison troops and some 200 local cadres before he left Xisha on 1 January. He highly praised the cadres and fighters in the Xisha Islands for their spirit observing discipline and fearing neither hardship nor difficulties. He said: You are the most respectable because you brave difficulties endure the worst hardship, and serve as a good example. The comrades of all trades and professions in China should learn from the PLA men who have the greatest sense of discipline and fear difficulties the least. He said: The lyrics of the well-known song "In the Place Where Peach Flowers Are in Full Bloom," contains a verse, "I am willing to stay in the windy and snowy border region to make you more beautiful." Here, you may change the verse to, "I am willing to be stationed in the stormy southern territory to make our motherland more prosperous." I hope that you will have such a feeling when you sing the song. Comrade Hu Yaobang's words of advice at parting aroused warm applause in the hall.

Hu Yaobang was accompanied on the Xisha trip by Liu Huaqing, commander of the PLA Navy; and by Zhang Zhongxian, political commissar of the Guangzhou Military Region.

LEADERS, NONCOMMUNISTS AT BEIJING NEW YEAR'S PARTY

OW020435 Beijing XINHUA Domestic Service in Chinese 0828 GMT 1 Jan 86

[By reporters Zou Aiguo and Chi Maohua]

[Excerpts] Beijing, 1 Jan (XINHUA) -- The CPPCC National Committee gave a new year's tea party at the third-floor hall of the CPPCC Auditorium this morning. Party and government leaders joined more than 400 people from various circles in reviewing the remarkable achievements on various fronts in the motherland over the past year and looking into the brilliant prospects of the socialist modernization drive. They are determined to work solidly in the spirit of the foolish old man who removed the mountain, and strive for accomplishing the Seventh 5-Year Plan, bringing about a fundamental turn for the better in party style and general social conduct, and realizing the motherland's reunification.

Ulanhu, Xi Zhongxun, Hu Qili, Tian Jiyun, Qiao Shi, Yao Yilin, Chen Pixian, Wang Zhaoguo, Liu Lantao, Cheng Zihua, Xu Deheng, Bainqen Erdini Qoigyai Gyaincain, Yan Jici, Rong Yiren, Ye Fei, Liao Hansheng, Yang Jingren, Hu Ziang, Qian Changzhao, Yang Chengwu, Zhou Peiyuan, Burhan, Fei Xiaotong, Zhao Puchu, Qu Wu, Ma Wenrui, and Mao Yisheng were present at the gathering.

Yang Jingren, vice chairman of the CPPCC National Committee, presided over the gathering. On behalf of the CPPCC National Committee and its chairman, Deng Yingchao, he extended new year's greetings to all those present.

In his speech, Vice President Ulanhu extended, on behalf of the CPC Central Committee and the State Council, greetings to all democratic parties, nonparty democratic and patriotic personages, Taiwan compatriots in Hong Kong and Macao, and Overseas Chinese, and wished them a happy new year.

Responsible persons of various democratic parties, the All-China Federation of Industry and Commerce, and the All-China Federation of Taiwan Compatriots, as well as representatives of nonparty democratic personages, spoke at the meeting.

Also present on the occasion were Yan Mingfu, director of the United Front Work Department of the CPC Central Committee, and Zhou Shaozhen, acting secretary general of the CPPCC National Committee, as well as Standing Committee members and members of the CPPCC National Committee, leaders of all democratic parties, the All-China Federation of Industry and Commerce, and the All-China Federation of Taiwan Compatriots, NPC Standing Committee members currently in Beijing, and well-known personages. Literary and art workers provided entertainment for the gathering.

Ulanhu Speech

OW020410 Beijing XINHUA Domestic Service in Chinese 0920 GMT 1 Jan 86

[Ulanhu 1 January Speech at CPPCC National Committee New Year Tea Party]

[Text] Beijing 1 Jan (XINHUA) -- Friends, comrades: Today, we have happily gotten together to celebrate the coming of a new year. On behalf of the party Central Committee, the State Council, and myself, I extend festive greetings to all those present, democratic parties, nonparty democratic, and patriotic personages, the people of all nationalities across the country, Taiwan compatriots Hong Kong and Macao compatriots, and Overseas Chinese. I wish you a happy new year!

The situation over the past year has been gratifying, characterized by political stability and unity and a thriving economy. Last year was the first year of our comprehensive economic structural reform with the focus on cities. Acting on the principles of prudence in fighting the first battle and of ensuring victory, we took a major step forward and achieved fruitful results in the reform. In the countryside, we changed the 3-decade-old system of unified or fixed state purchases and readjusted industrial setups according to plan, thereby promoting the development of a commodity economy and village and town enterprises and increasing peasant income by a big margin. In cities, we took the first step in reforming price and wage systems and are embarking on a new road. After overcoming the excessive industrial growth rate, capital construction scale, and increase in consumption funds by strengthening macroeconomic control last year, light and heavy industries are now developing in a balanced manner. It is anticipated that revenues and expenditures will be balanced and that deficits will be eliminated. Reforms in science and technology management and in educational and national defense systems have gradually unfolded. Major progress has also been made in foreign affairs and in trade, scientific, technological, and cultural exchanges with foreign countries. Socialist democracy and the legal system have been perfected. Party rectification work has been further carried out. The National Conference of Party Delegates, held last year, put forward a proposal on formulating the Seventh 5-Year Plan and, in particular, facilitated the further succession of new members from the old in central leading organs, which is of profound significance in ensuring a long period of order, stability, and smooth development of our party and government. Facts amply show that the current situation is excellent and that the reform has been successful.

At the same time, we must also soberly note that, despite the excellent situation, quite a few problems still exist because, with the new economic system still in its initial stage and policies incomplete, administrative departments are unable to exercise effective macroeconomic control and reasonably flexible microeconomic control. Therefore, some problems cropping up in the course of reform are unavoidable. Only by earnestly analyzing experience and continuing the reform can we solve such problems. By no means should we take the road of regression.

Friends, comrades: In the coming new year, we shall, in accordance with the CPC Central Committee's proposals, formulate the Seventh 5-Year Plan and map out arrangements for economic reform and for economic and social development. We will persist in making reforms and further consolidate, improve, and digest the results achieved in reform. We will retain the merits, eliminate the maladies, and concentrate efforts on solving outstanding issues in reform while carrying out pilot plans in order to prepare for reforms in the next year. At the same time, we will continue to control investment scale on fixed assets; ensure key state construction projects; and adhere to the principles of "no stability without grain" "no prosperity without industry," and "no liveliness without commerce", and the policy of promoting agriculture, industry, and commerce simultaneously and developing them in a coordinated manner. We will also vigorously popularize and apply advanced science and technology and gradually increase investment in agriculture to facilitate its steady growth. We will carry out more flexible and open policies in impoverished areas and concentrate financial and material resources to help them solve problems concerning their daily needs.

While paying close attention to building material civilization in the coming new year, we will also go all out to intensify the building of socialist spiritual civilization in order to bring about a fundamental turn for the better in party style and general social conduct. In striving for a fundamental improvement in party style, the central authorities have called on leading cadres at various levels to earnestly rid themselves of bureaucracy, make no empty talk, and do more solid work. Central party, government, and Army organs and organs in Beijing Municipality, as well as leading cadres, should set a good example for the whole country. It is hoped that democratic parties and non-party personages will help us improve party style. The central authorities have also urged press, publication, cinema, TV, and literature and art departments to follow a correct ideology in their work, place social benefit above everything else, and produce more spiritual food reflecting the demands of the times and inspiring the people to strive for progress, thereby contributing to the building of the two civilizations.

As stability and unity are the most important and fundamental conditions for promoting economic reform, opening to the outside world, and intensifying the building of the two civilizations, all party members and the people of all nationalities throughout the country should cherish the stability and unity of the whole party and society like the pupils of their eyes, safeguarding the stability and unity and consolidating and developing the excellent situation.

In the coming new year, we will continue to, in accordance with the proposal of "one country, two systems," strive to fulfill the great undertaking of reunifying the motherland. It is hoped that compatriots on the two sides of the strait, as well as Chinese and friends overseas, will contribute to this undertaking.

Friends, comrades: The first 6 years of the 1980's have gone by with successes, and the glorious historical tasks of the last 4 years of the 1980's have fallen upon our shoulders. This year will be the first year of the Seventh 5-Year Plan. To do a good job in the work in all fields this year will create favorable conditions for development in the next 4 years.

Treating each other with all sincerity and sharing weal or woe in the years of unity in struggle, the CPC and all democratic parties and nonparty personages created a gratifying new situation. In the march to realize the splendid plan, we should all the more cooperate with each other, pool the wisdom of all, display the spirit of the foolish old man who removed the mountain, and make solid efforts to accomplish all major undertakings. Let us jointly strive to realize a fundamental improvement in party style and general social conduct and the motherland's reunification.

LI XIANNIAN, JIANGSU LEADERS MARK NEW YEAR

OW011014 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 31 Dec 85

[Text] Jiangsu Province and Nanjing Municipality cosponsored a grand get-together at the Great Hall of the People this afternoon to mark the new year of 1986. Li Xiannian, member of the Standing Committee of the Political Bureau of the CPC Central Committee and state president, attended the get-together to usher in the new year with more than 2,000 representatives of cadres, the masses, model workers, and advanced personnel.

Hung with red lanterns the entrance to the Great Hall of the People was decked with colorful fluttering banners. In the brightly illuminated hall the participants greeted the new year with great joy of victories. When President Li Xiannian walked into the great hall in the company of Han Peixin, secretary of the Jiangsu Provincial Party Committee, and Xiang Shouzhi, commander of the Nanjing Military Region, he was accorded a long standing ovation. President Li acknowledged the wellwishers with waves and wished them a happy new year. Then, showing great interest, President Li joined the audience in watching the northern Jiangsu opera, "The Odd Marriage," which won seven first awards at the recent national theatrical show.

Also present at the get-together were Nie Fengzhi, Du Ping, Tang Liang, and Xiang Wangdong, members of the Central Advisory Commission; Zhan Danan and Kang Di, members of the Central Discipline Inspection Commission; Shen Daren, Gu Xiulian, Sun Han, Liu Lin, Chen Huanyou, and Hu Fumin, leading members of Jiangsu; Fu Kuiqing, Liu Lunxian, Yu Yongbo, and Chen Hui, leading members of the Nanjing Military Region; Jiang Yutian, Zhengzhubo, Yuan Jun, Li Gai, Zeng Sheng, and Yue Dewang, leading members of the Air Force of the Nanjing Military Region, the Nanjing Higher Army School, the Naval Academy, and the Jiangsu Provincial Military District; and Zhang Yaohua, Jia Shizhen, Xu Zhi, and Zhang Chenhuan, leading members of Nanjing.

Prior to the get-together, President Li had a cordial meeting with members of the Central Advisory Commission and Central Discipline Inspection Commission in Nanjing, as well as leading comrades of Jiangsu, the Nanjing Military Region, and Nanjing, and with veteran comrades who have retreated to the second or third line from the local and military authorities. He shook hands with each of them and wished them a happy new year.

WAN LI CELEBRATES NEW YEAR WITH BEIJING STUDENTS

OW011230 Beijing XINHUA Domestic Service in Chinese 1751 GMT 31 Dec 85

[By reporter Liu Linchun]

[Text] Beijing, 31 Dec (XINHUA) -- Wan Li, member of the Political Bureau of the CPC Central Committee and vice premier of the State Council visited the Beijing Normal University today and joined the students and some veteran teachers there in greeting the arrival of the new year at a get-together.

Wan Li urged the teachers to work hard to train more morally sound and professionally competent teachers for secondary and primary schools and to achieve even greater success in teacher training.

Talking to Bai Shouyi, Tao Dayong, Zhong Jingwen, Wang Kunren, Zhu Zhixian, Chen Jingpan, Qi Gong, and other veteran professors and leading members of the university, Wan Li said that good schools and good teachers are essential for training competent personnel. He said: Now governments and party committees at all levels have attached great attention to education, and the peasants have built more schools to accommodate the students that have been enrolled, but there is still a shortage of qualified teachers. Therefore, the training of qualified teachers must be intensified. Beside setting up a system of training teachers for higher, secondary, and elementary education, necessary policies should be drawn up and other conditions should be created so that teacher training can be intensified. Comrades engaged in teacher training should have a high sense of responsibility, and they should be willing to work for this great cause. Wan Li hoped that the Beijing Normal University will become one of the best teacher training colleges in the country and a model of teacher training.

Wan Li also joined the teachers and students in watching the literary and art programs staged at the get-together. Also visiting the teachers and students at the Beijing Normal University this evening were Yang Haibo and Peng Peiyun, vice ministers of the State Education Commission, and Wang Jialiu, head of the Education Department of the Beijing Municipal CPC Committee.

PENG ZHEN CELEBRATES NEW YEAR IN WUXI, JIANGSU

OW011030 Beijing XINHUA Domestic Service in Chinese 1701 GMT 31 Dec 85

[Text] Nanjing, 31 Dec (XINHUA) -- Peng Zhen, member of the Political Bureau of the CPC Central Committee and chairman of the NPC Standing Committee, celebrated the new year with more than 1,000 cadres and masses in Wuxi City, Jiangsu, this afternoon. After arriving in Wuxi from Changzhou on 26 December, Peng Zhen heard a report given by a leading comrade of Wuxi. He attended the new year get-together of Wuxi's literary and art circles this afternoon in the company of Chu Jiang, chairman of the Standing Committee of the Jiangsu People's Congress.

NATIONAL LEADERS MEET GUANGDONG CPC, PLA LEADERS

HK010257 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 31 Dec 85

[Text] On New Year's Eve, the principal responsible persons of Guangdong Province, Guangzhou Military Region, and Guangzhou City, including Lin Ruo and You Taizhong, called on National CPPCC Chairman Deng Yingchao, Central Military Commission Vice Chairman Xu Xiangqian, and Central Committee Political Bureau member and PLA General Political Department Director Yu Qiuli, who are currently in Guangzhou, to extend festive greetings and best wishes for a happy new year and good health.

COMMENTATOR DISCUSSES RECTIFYING UNHEALTHY TRENDS

HK010130 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 27 Dec 85 p 2

[Commentator's article: "Rectify the Unhealthy Trends; Grasping Education With One Hand and the Legal System With the Other"]

[Text] It is necessary to promptly and seriously handle the cases of those people who have violated the law and discipline and indulged in unhealthy tendencies.

Some localities and units have been slack in investigating and handling these cases. The masses have been discontented with and have criticized these practices, and thus have shown their concern about party style. Our leading organizations concerned should try their best to rectify all these malpractices as soon as possible. Some areas and departments have conscientiously investigated and handled some cases of violation of the law and discipline and thus have been commended by the masses. However, they have only concentrated their attention on the specific cases but have failed to make use of typical cases to carry out vivid and concrete ideological education among cadres as a part of the effort to promote people's sense of observing discipline and the law and to enhance their ability to resist corrosion by capitalism, feudalism, and other decadent ideologies. Therefore, although the cases of certain individuals have been handled, a turn for the better in party style and social mood has not been achieved yet. This situation merits attention.

Comrade Deng Xiaoping pointed out recently: In rectifying unhealthy trends: "We mainly depend on two means, the first being education and the other being the law." Conscientiously investigating offenses and severely penalizing offenders in accordance with the law is a very necessary and effective way to solve the problems exposed, especially to check the practice of making use of power to seek personal interests as well as other unhealthy tendencies. Meanwhile, it is necessary to vigorously launch an ideological education drive so as to help the vast number of cadres and masses to distinguish between right and wrong and thus build up in their minds a solid line of defense against corrosion by decadent thinking.

Although only a small number of people have been involved in the unhealthy trends existing in our party and society, the harmful ideas they have spread, which encourage people to place personal interests before everything and to benefit themselves by harming others, are causing the party's fine style to deteriorate and undermining the cause of socialist modernization. The influence of these poisonous ideas will cause much more serious damage than what the small number of offenders have done. To be sure, the fact that unhealthy tendencies can play a role in the reality of life can be attributed to some historical factors and some social conditions necessary for their existence. But a more important factor is that some people do not have a firm faith in socialism and the ideal of serving the people but are dominated by individualism. Therefore, in order to score better results in rectifying unhealthy tendencies, we must strengthen ideological and educational work while enforcing the laws and discipline more strictly.

First, it is necessary to make more effort to ensure that education in ideals, discipline, and the legal system meet specific needs and is persuasive. Recently, leading comrades of many provincial, city, and prefectural CPC committees have been personally engaged in investigations into some ideological problems that have affected party style and social mood. Based on the findings of the investigations, these leading comrades visited schools, plants, and rural areas to have direct talks with the masses, solicit opinions from them, and answer questions about which the masses are concerned. They did not cover up shortcomings nor evade contradictions, but explained the party's principles and policies in line with the spirit of seeking truth from facts, publicized the benefits of the reform and the policy of opening up to the outside world, pointed out the causes for the current unhealthy trends and the methods to correct the malpractices, and thus cleared up all the rumors. Their efforts have not only cleared up those misunderstandings on the part of some people, but have enhanced their ability to correctly understand the objective world as well as their confidence and courage in overcoming unhealthy tendencies.

Second, when cases of violation of discipline and the law are handled, it is necessary to cite typical cases, organize party members and cadres to analyze the causes for the violation of discipline and the law in line with the principle of seeking truth from facts, and **conscientiously** sum up experiences and draw lessons from these cases. In covering major typical cases, the press and broadcasting stations must not only report the facts about the violation of discipline and the law but also the outcome of the handling of the cases. At the same time, they should also carry convincing articles in the hope of having a better educational effect.

Third, it is necessary to give fuller play to the educational role of good examples. Some leading organizations have failed to set good examples as they have done a bad job in promoting healthy trends and checking unhealthy ones. In these organizations, some people used to muddle along and shirk responsibilities onto others; some people, bearing grievances in mind, have wantonly spread rumors; some people have cottoned up to each other, ignored the demarcation line between right and wrong, bartered away principles, and followed the vulgar philosophy of giving priority to one's social relations in handling everything; and some people have even taken the lead in promoting unhealthy trends in the economic field. All these unhealthy trends must be rectified by a fixed date. The method to achieve this target is that our leading cadres, particularly high-ranking leading cadres, must earnestly practice what they advocate and take the initiative in encouraging healthy trends and fighting unhealthy ones. They must not only restrain themselves from being involved in unhealthy trends but educate and supervise the cadres and staff of their own units as well as their own children, and warn them not to seek power and personal interests. Our party organizations at all levels must discover, sum up, and publicize in good time the good deeds of those model figures with lofty ideals, moral integrity, good educational background, and a high sense of discipline, make these people's words and deeds known to the public, advocate the lofty idea of wholeheartedly serving the people, the lofty morality of communism, and the lofty sentiment of patriotism, and thus inspire and educate the masses.

Fourth, it is necessary to strengthen ideological guidance over inner-party life. To cope with the present circumstance of lax discipline in certain party organizations, our party organizations at all levels must strengthen education for and administration over party members, straighten up regular party activities, and launch a criticism and self-criticism drive in the light of the actual situation based on the principle of distinguishing right from wrong and strengthening unity between comrades. In brief, it is necessary to enhance the party spirit of the vast number of party members through rectifying the system governing party life, cultivate the fine habit of observing discipline, conscientiously fight against unhealthy trends, raise the party's prestige, and enhance the party's combat strength.

COMMENTATOR WARNS AGAINST 'PERFUNCTORY ATTITUDE'

HK010848 Beijing RENMIN RIBAO in Chinese 28 Dec 85 p 1

[Commentator's article: "'Taking a Perfunctory Attitude Toward the Higher Authorities' Is Also an Unhealthy Trend"]

[Text] Not long after he assumed office, a responsible comrade of a military unit met with a succession of "trifles." When he stayed at a hostel, someone sent him two bottles of Maotai; when he went to a grass-roots unit, a giant poster reading "Our senior officer, your presence and guidance are requested" was hung in front of the gate; and when he visited a city, all leading comrades of the city came out to greet him and, when their motorcade drove downtown, the masses of the people were driven to both sides of the road.

He had a strong aversion to and was annoyed by such a succession of "trifles." He seriously pointed out: We should concentrate our efforts on the work of grass-roots units and must not rack our brains to please the higher authorities.

Such things that the responsible comrade met with are not isolated cases, and some people do not hate to see them. There are such occurrences in both the military and civilian units. "Racking their brains to take a perfunctory attitude toward the higher authorities" is "customary" to some cadres whenever they think about or do something. When doing summarizing and debriefing work, what they first think of is how to please their leaders; they do not attend to the real state of affairs in their work. In carrying out instructions from the higher authorities, what they first think is how to pander to the intentions of the higher organizations, but they think little about how to combine these instructions with the specific conditions in their areas and units. They turn a deaf ear to the voice of the masses. They only go through the motions unless they are pressed by the higher authorities. In reporting to leaders on their work, they lay special stress on achievements but pay indifferent attention to some outstanding problems, and they indulge in empty talk and do not present the facts. Employing formalism, paying lip service, reporting only the good news and not the bad, and practicing fraud are all tactics they exploit when they take a perfunctory attitude toward the higher authorities.

"Is the lower level requested to be subordinate to the higher level and to hold itself responsible to leading organizations?" Yes, this is true. One of our party's organizational principles is that the lower level should be subordinate to the higher level. However, being subordinate to the higher authorities and being responsible to leading organs are entirely different from what is described as "taking a perfunctory attitude toward the higher authorities." Our principle of the lower level being subordinate to the higher level is aimed at working harder for the interests of the masses. Our responsibility to leading organs, in the final analysis, is our responsibility to the masses. A cadre who really respects leaders and holds himself responsible to them should first be realistic and practical, report to leaders on their work according to the facts, conscientiously carry out instructions from the higher authorities, and perform more actual deeds for the people.

Those "who take a perfunctory attitude toward the higher authorities" seem to hold themselves responsible to the higher authorities, but actually they do not hold themselves responsible either to the higher authorities or to the masses. This is a mere illusion. What they do indeed is to protect themselves. Such ideas and behavior completely distort the normal relationship between the higher level and the lower level in the revolutionary ranks. They are a reflection of the decadent and philistine ways of the official circles of the old society in the ranks of our cadres. Unless seriously and resolutely rectified, these malpractices will not only discredit the fine traditions of our party, but will also turn our relationship between the higher level and the lower level into a vulgar relationship of officialdom and divorce our party and government departments from the broad masses of the people. This would be very dangerous.

It is dangerous that the subordinates always rack their brains to take a perfunctory attitude toward their leaders, but it is even more dangerous that some leading organs and cadres not only turn a blind eye to these wrongdoings and regard them with equanimity but go so far as to connive with their subordinates or drop them a hint to do so. In some places and units, those who know how to please their leaders are promoted and are put in important positions, but those who are steadfast in their work are ignored, even more, those who speak the truth are squeezed out.

This is the main cause attributed to the prevailing trend of "taking a perfunctory attitude toward the higher authorities." What principal leading cadres advocate and oppose has a great effect on the general mood of an area or unit. If all our leading cadres can, like the aforementioned responsible comrade of a military unit, earnestly practice what they preach, take the lead in resisting these malpractices, and resolutely do not allow their subordinates to conduct these malpractices, we shall be able to vigorously improve our party conduct and work style of our party and government departments.

As the year draws to its close, different unsound practices of "taking a perfunctory attitude toward the higher authorities" may appear when people make the year-end examination and summary, report on their work, and make a public appraisal of their work. Leading comrades at various levels must firmly take a clear-cut stand in opposing and resisting such unhealthy tendencies.

ANNOTATIONS TO CPC RESOLUTION ON MAO REVISED

HK310804 Beijing GUANGMING RIBAO in Chinese 18 Dec 85 p 3

[Article by Shi Zhongquan: "A Unique Reader Expounding Mao Zedong Thought -- Introducing 'Annotations (Revised Edition) on the Resolution on Certain Historical Questions of the Party Since the Founding of the PRC'"]

[Text] The "Annotations (Revised Edition) on the Resolution on Certain Historical Questions of the Party Since the Founding of the PRC," which was compiled by the Party Literature Research Center of the CPC Central Committee, is a book of annotations with distinctive features. It does not rest content with providing brief annotations on the "Resolution," but uses many reliable, filed documents and economic statistics to give detailed explanations of many important historical facts mentioned by the "Resolution" and make further explorations into some theoretical viewpoints. It thus becomes an important reference book for studying the "Resolution." Since it began to be distributed internally in June 1983, the book has been welcomed by the broad masses of readers. Recently, the Party Literature Research Center of the CPC Central Committee made some revisions of the book and supplemented it with some important documents and materials to expound on relevant historical facts and theories. Meanwhile, some analyses and literal explanations in the original annotations were also changed based on new understandings of certain policies and theoretical questions over the past few years. The revised edition has been published by the People's Publishing House and put on sale throughout the country.

The "Annotations (Revised Edition) on the Resolution" has 130 entries, many of which are annotations on Mao Zedong Thought. With regard to the content, it has the following distinctive features:

1. It uses many documents and materials to prove that Mao Zedong Thought is the crystallization of the collective wisdom of the Chinese Communists represented by Mao Zedong. An important contribution of the "Resolution" is that it adheres to the spirit of seeking truth from facts formulated by the 3d Plenary Session of the 11th CPC Central Committee, affirms that Mao Zedong Thought is the crystallization of the collective wisdom of the party, and emphasizes that the work of combining Marxism-Leninism with China's realities was completed by the collective wisdom of the CPC and that Mao Zedong Thought was the product collectively of the Chinese Communists with Mao Zedong as the chief representative. The annotation makes concrete explanations on these questions by means of filed documents and materials.

When explaining the "Formation of the Concept of 'Mao Zedong Thought'", the annotation quotes some filed documents and presents expositions on Mao Zedong Thought by Liu Shaoqi, Zhou Enlai, Zhu De, Chen Yun, Wang Jiaxiang, Li Weiha, Chen Yi, Deng Xiaoping, Nie Rongzhen, Peng Zhen, Luo Ronghuan, and other leaders as well as the party's theoretical worker Zhang Ruxin and others to show that the formation of the scientific concept of "Mao Zedong Thought," just like the formation of the scientific theory of Mao Zedong Thought, was not completely a creation by a certain comrade individually, but a crystallization of collective wisdom of the party. In the entry, "Many Outstanding Leaders of our Party Have Made Important Contributions to the Formation and Development of Mao Zedong Thought," the annotation explains in concrete terms through analyzing the explorations of the other leaders of our party on combining the general tenets of Marxism-Leninism with China's revolutionary practice and their contributions to the formation of Mao Zedong Thought and works that Mao Zedong Thought was a scientific achievement made collectively by the Chinese Communists with Mao Zedong as the chief representative.

While offering many entries to introduce some important viewpoints and works of Mao Zedong, the annotation also offers some special entries to introduce some important ideas of Liu Shaoqi, Zhou Enlai, Zhu De, Chen Yun, Deng Xiaoping, and other leaders, which were put forth during the period of socialist construction and were expounded on by the "Resolution." In essence, these ideas, which are summaries of many important experiences acquired in the period of socialist construction in accordance with the basic tenets of Marxism-Leninism, are consistent with the correct expositions of Mao Zedong on the same questions. We may also say that they have supplemented, enriched, and developed Mao Zedong's viewpoints on the questions concerned and have thus enriched and developed Mao Zedong Thought.

2. While making theoretical analyses on the concrete viewpoints of Mao Zedong Thought, it lays stress on studying the history of the formation of each viewpoint. This is obvious especially in the entries concerning Mao Zedong Thought.

The "Resolution" regards seeking truth from facts, the mass line, and independence and self-reliance as the three basic points of the living soul of Mao Zedong Thought. This is a new summary of Mao Zedong Thought. But how to explain these basic points? This provides a difficult problem for annotation work, because seeking truth from facts, the mass line, and independence and self-reliance are theoretical viewpoints that people are comparatively familiar with and many textbooks and theoretical articles have had a lot of expositions on them. But most previous publications have stressed expounding the "theory" more than on the "history" of these questions. In view of this, while making theoretical analyses on their main contents, the annotation stresses the history of their emergence and the process of development of our party's cognition.

On "seeking truth from facts," the annotation introduces the course of development of Mao Zedong's thinking on attaching importance to investigation and study and combining Marxist-Leninist tenets with the concrete practice of the Chinese revolution and the tortuous path our party has followed in putting forth and establishing the ideological line of seeking truth from facts. On the "mass line," it presents the course of formation of this concept and the course of development of this idea. It points out that although, after the founding of the CPC, many documents and leaders had emphasized the importance of maintaining close links with the masses in revolutionary activities and carrying out mass movements, the concept of "mass line" was clarified for the first time in the "Directive From the Central Committee of the CPC to the Front Committee of the Fourth Army of the Red Army" drafted by Zhou Enlai in September 1929 (also referred to as "Letter of September"). Later on, in their practice, Mao Zedong, Liu Shaoqi, Deng Xiaoping, and other leaders continuously enriched and developed the idea of the "mass line."

On "independence and self-reliance," the annotation uses some historical documents to analyze the basic idea of independence and self-reliance and explain why this idea was an inevitable result of implementing the principle of seeking truth from facts and the mass line. The three explanatory notes try to explain that regarding the three basic points summed up by the "Resolution" as the quintessence of Mao Zedong Thought not only conforms to the logic of the Chinese revolution but also has reliable historical basis. In his article "Oppose Book Worship" published in May 1930, Mao Zedong already began to expound the three basic points as a unified question concerning stand, viewpoint, and method.

On the "theory of the people's democratic dictatorship put forth by Mao Zedong," the annotation makes a comparatively systematic study of the historical course of the formation of the idea on the people's democratic dictatorship while making a theoretical analysis of the system of the people's democratic dictatorship in accordance with the Marxist-Leninist theory of state. It points out that the idea of "establishing the system of people's democracy" mentioned by Mao Zedong on 4 May 1939, in his original manuscript for the lecture on "The Orientation of the Youth Movement" actually contained the meaning of the "people's democratic dictatorship." ("Selected Works of Mao Zedong," Vol 2, p 527) At the meeting of the CPC Political Bureau held in September 1948, Mao Zedong clearly put forth the complete proposition on "establishing the people's democratic dictatorship led by the proletariat and based on the worker-peasant alliance." In March 1949, in his report at the Second Plenary Session of the Seventh CPC Central Committee, he reiterated this problem in a broader sense. But this was not the first time he put forth the proposition. Thus, people can acquire a more systematic understanding of the course of formation of the idea on the people's democratic dictatorship.

3. When explaining the causes for major historical facts, it also attaches great importance to the study of the development of the viewpoints of Mao Zedong and other leaders, doing its best to combine the study of political history with the study of ideological history.

Quite a few entries in the annotations concern the important historical facts mentioned by the "Resolution." While realistically introducing the historical facts, some of them also quote documentary materials to explain certain important viewpoints of the CPC Central Committee and Mao Zedong. For example, under the clause of "reiterating investigation and study in 1961," it goes into details about how Mao Zedong, Liu Shaoqi, Zhou Enlai, and other central leaders carried out investigation and study with responsible persons of various localities and departments in the early 1960's, their achievements, and a series of expositions of the CPC Central Committee on investigation and study in the same period. At the same time, it particularly introduces Mao Zedong's self-criticism on making less investigation and study after liberation in a speech delivered at the central work conference held in January 1961 and the background of publishing and distributing Mao Zedong's article on "Opposing Book Worship" by the CPC Central Committee in March the same year. Through these presentations we can see clearly that the reiteration of investigation and study by the CPC Central Committee and Mao Zedong was an ideological basis for the improvement in our party's work in the early 1960's. We can also acquire a general understanding of the main ideas of our party leaders on investigation and study in the socialist period. On "correcting mistakes from the Zhengzhou meeting to the early stage of the Lushan meeting," the book first introduces the efforts made by the CPC Central Committee headed by Mao Zedong from the winter of 1958 to the early stage of the Lushan meeting held in July 1959 in leading the whole party to correct the "leftist" mistakes that appeared in the "Great Leap Forward" and in the movement to organize the people's communes. It shows that although the "leftist" guiding ideology within the party was not fundamentally changed at that time and there were still wrong propositions on many questions, the CPC Central Committee and Mao Zedong made great efforts to conscientiously rectify the errors that had been recognized, making the situation continue to develop in the correct orientation at that time.

It also presents Mao Zedong's written instruction on material distributed during the second Zhengzhou meeting, which clearly points out that some mistakes committed in 1958 were "leftist" adventurist mistakes, and his idea of arranging the national economy in the order of agriculture, light industry, and heavy industry and making heavy industry serve light industry and agriculture, which was put forth in the early stage of the Lushan meeting when summing up the experiences and lessons of the "Great Leap Forward." This was the first time our party used the concept of "agriculture, light industry, and heavy industry." It was a development of the idea of "On the Ten Major Relationships."

4. Based on the original documentary materials, it makes a study on the process of revision and publication of some important works of Mao Zedong and clarifies the misunderstandings of some comrades on certain works and some improper explanations that have spread among the masses.

Referring to the "Speech on 'The Ten Major Relationships,'" it introduces the process of the emergence, revision, and publication of this work, which shows that the article, which was openly published in 1975 when Deng Xiaoping was in charge of the routine work of the central authorities, had been collated under the direction of Hu Qiaomu, submitted to Mao Zedong by Deng Xiaoping, and checked and approved personally by the latter. Other explanations and sayings about this article both at home and abroad are rumors.

On "The Question of Correctly Handling Contradictions Among the People," it quotes Mao Zedong's relevant speeches, written instructions, and outlines made in the same period to explain the process of the formation of the theory on correctly handling contradictions among the people. Besides it also explains that although this article had been influenced by the expansion of scope of the anti-rightist struggle in the course of revision before it was formally published, and some expositions that were inharmonious with the spirit and intention of the original speech, such as class struggle was still acute and the question of which will win out, socialism or capitalism, was still not really settled, had been added to the article, taking it as a whole, the article still preserves the basic spirit of the original speech. The basic idea of correctly handling contradictions among the people still runs through the whole book. The idea holding that this book lays a foundation for the so-called "theory of continuous revolution under the dictatorship of the proletariat" is actually a distortion of it.

Of course, there are also some shortcomings in the annotations on Mao Zedong Thought. For example, some viewpoints of Mao Zedong Thought that should be annotated have not been annotated, and some annotations are relatively feeble and insipid. All this has yet to be further improved.

RENMIN RIBAO ON CURRENT CONDITIONS, HISTORY

HK011513 Beijing RENMIN RIBAO in Chinese 23 Dec 85 p 5

[Article by Gong Yuzhi: "Study Theory and Combine the Study of Current Conditions With the Study of History -- Starting With a Discussion of the Second Volume of the 'Selected Works of Liu Shaoqi'"]

[Excerpts] Following the publication of the second volume of the "Selected Works of Zhou Enlai" in November of last year, the second volume of the "Selected Works of Liu Shaoqi" has now come out. Compiled in the second volumes of these two works are works written since the founding of the PRC. The second volume of the "Selected Works of Liu Shaoqi" is entirely made up of works in the 17 years preceding the "Great Cultural Revolution." The second volume of the "Selected Works of Zhou Enlai" also chiefly contains works in those 17 years. In those 17 years, Comrade Liu Shaoqi and Comrade Zhou Enlai were on the first line taking charge of central party and government work.

Therefore, the second volumes of these two works are extremely important works of literature, enabling us to understand and study historical experiences and contain a wealth of ideas acquired by our party in those 17 years.

Our current socialist modernization effort is being carried out under new domestic and internal circumstances. In the face of new realities, we must exert maximum efforts to study new conditions, solve new problems, sum up new experiences, and develop new theories. We cannot and should not count on previous literature to provide handy concrete answers to the various new problems confronting us at present. Where does the significance lie in publishing works on historical experiences in those 17 years, or, generally speaking, in publishing literature on party history?

In my opinion, the publication of literature on party history carries significance not only for its historical aspects, but also for its realistic aspects. This is because the study of history cannot take the place of the study of current conditions. But without understanding and studying history, especially history most closely related to reality, it is impossible to thoroughly understand and study current conditions.

Historical experiences and lessons related to the 10-year turmoil of the "Great Cultural Revolution" can never be forgotten. In turning chaos into order, we must first and chiefly take care of the chaos created by the "Great Cultural Revolution." In party rectification, we must call on members of the whole party to penetratingly conduct education on the need to basically negate the "Great Cultural Revolution." This is also a matter of studying history. Some party leaders during the "Great Cultural Revolution," prompted by a desire to reduce to a minimum the losses caused by the "Great Cultural Revolution," later made great efforts to actually correct the mistakes of the "Great Cultural Revolution." These, as reflected in the second volume of the "Selected Works of Zhou Enlai" should also be understood by us in studying this chapter of history.

The 17 years from after the founding of the PRC to before the "Great Cultural Revolution" represent a very important chapter of history. To understand efforts to turn chaos into order and carry out an overall reform in the past 7 years, we also cannot fail to understand the history of those 17 years. The "Great Cultural Revolution" was a result of the accumulated effects of mistakes made in those 17 years. The effort to correct the chaos of the "Great Cultural Revolution" includes an effort to correct the chaos related to those mistakes in the 17 years that led to the "Great Cultural Revolution." An overall reform covers a reform of certain stereotyped concepts on the pattern of socialism that had already gradually formed in those 17 years and a reform of some economic, political, and cultural systems that had been established in those 17 years proved by practice to be not entirely successful or no longer compatible with later circumstances. Therefore, we should not adopt a totally positive attitude toward those 17 years. Nor we should we stay in a rut as far as those 17 years are concerned.

But while we emphasize this, we should also stress another side. This is that we can never negate the historical achievements and accumulated experiences that our party obtained in leading hundreds of millions of people of the country in a brave struggle in those 17 years. The effort to turn chaos into order must be put on the right path of integrating fundamental Marxist principles with the practice of China. All the achievements and experiences obtained by following this correct path in those 17 years must be affirmed and carried on by us. An overall reform is a reform carried out on the basis of affirming and upholding our fundamental socialist achievements and is our socialist way of self-improvement. If we should adopt an attitude of total negation toward the history of the party leading the people in a struggle for socialism, then we would have no fundamental standpoint in our arguments.

In summation, as an outstanding leader of our party and a Marxist theorist, Comrade Shaoqi made important theoretical contributions toward combining Marxism with the practice of the Chinese revolution in the new democratic revolution before the founding of the PRC. He also did a lot of theoretical research into and thinking about socialist transformation and socialist construction after the founding of the PRC. From the second volume of the "Selected Works of Liu Shaoqi" and other important literature since the founding of the PRC, we can see how the proletarian revolutionaries of the older generation of our party paid attention to studying and researching fundamental Marxist principles and strived to combine fundamental Marxist principles with concrete practice in China's socialist construction and pushed our cause and Marxist theory forward by combining things in this way. They devoted their whole lives to finding the path for China's socialist construction and accumulated a lot of ideological wealth still of value today. The kind of theory that we stress the study of today includes the results of combining Marxist theory with practice in China's socialist construction, as recorded in these works. In the 30-plus years since the founding of the PRC, our party has obtained achievements and experiences in our struggle and exploration toward socialism and has also made mistakes and suffered setbacks. To understand, study, and sum up such a history will encourage, prod, and help us in facing new realities and creating new history about our socialist modernization effort in our new struggle and trials.

PRC-BUILT NUCLEAR SUBMARINES HANDED OVER TO NAVY

HK021405 Beijing ZHONGGUO XINWEN SHE in Chinese 0949 GMT 2 Jan 86

[Report: "Nuclear Submarines Designed and Built by China Have Been Handed Over to the Navy"]

[Text] Beijing, 2 Jan (ZHONGGUO XINWEN SHE) -- Information provided here today by the China Shipping Industry Company revealed that nuclear submarines designed, assembled, and built solely by China have been successively handed over to the Navy and put into operation, making China one of the few countries in the world possessing nuclear submarines.

It was also revealed that during the Sixth 5-Year Plan period, China completed the improvement and upgrading of first-generation vessels, such as submarines, torpedo boats, anti-submarine escorts, guided missile escorts, and so forth, and started in an overall manner the business of researching and producing second-generation products, such as guided-missile destroyers, light guided-missile escorts, large guided-missile fast patrol boats, guided-missile escorts, submarines, and so forth.

During the Sixth 5-Year Plan period, China also completed the finalization of various ship-based artillery and weapons systems and anti-submarine weapons system, and successfully researched and produced new anti-submarine and anti-warship homing [zixun 5261 1416] torpedoes, together with gyro compasses, inertial navigation [systems], 3-D radars for warships, high-powered diesel engines, and other new equipment. This greatly raised the level of modernization in naval vessels. The success of the submarine-launched carrier rocket shows that China has overcome the technical problems of underwater launching.

It was also revealed that during the Sixth 5-Year Plan period China exported several types of naval vessels to Third World countries. These vessels satisfied the recipients regarding quality and performance.

MAO DUN LITERATURE PRIZE AWARDS CEREMONY HELD

HK311514 Beijing GUANGMING RIBAO in Chinese 18 Dec 85 p 1

[Report by Feng Lisan: "Portraying Our Times and Spirit on a Broader Scale -- Second Mao Dun Literature Prize Awards Ceremony Held in Beijing"]

[Excerpts] The second Mao Dun Prize awards ceremony was solemnly held in the International Club in Beijing on 17 December. The prize winners are Li Zhun and Liu Xinwu, who attended the ceremony, and Zhang Jie, who did not attend the ceremony due to illness. Nearly 1,000 personalities of various circles attended the ceremony. Zhu Houze, director of the Propaganda Department of the CPC Central Committee, and some other leaders attended the ceremony.

Tang Dacheng, secretary of the leading party group of the Chinese Writers Association and an executive member of the Chinese Writers Association's Secretariat, spoke at the ceremony. Tang extended warm greetings to the prize winners on behalf of the Chinese Writers Association's Secretariat.

Feng Mu, vice chairman of the Chinese Writers Association and deputy director of the appraisal committee of the second Mao Dun Literature Prize, delivered a speech entitled "Writing With a Free Pen" at the ceremony. He believes that over the past 3 years, China's novel writing has achieved better and more remarkable successes and has developed more greatly than before. Li Zhun, Zhang Jie, and Liu Xinwu were then awarded this year's Mao Dun Literature Prize. The prize presentation ceremony was presided over by Wang Meng, vice chairman of the Chinese Writers Association.

Literary Achievements Hailed

HK010829 Beijing GUANGMING RIBAO in Chinese 18 Dec 85 p 1

[Commentator's article: "Striving for the Creation of Great Works Worthy of our Times"]

[Text] Li Zhun's "Huang He Runs Eastward," Zhang Jie's "Heavy Wings," and Liu Xinwu's "The Bell and Drum Tower" have been awarded this year's Mao Dun Literature Prize after democratic but strict appraisal. We would like to take this opportunity to extend our warm congratulations to them!

The three novels are important achievements in our country's literature, which has developed in the orientation of serving the people and the society, indefatigably pursuing the unity of profound ideological content and perfect artistic form, and of serving the building of the socialist spiritual civilization. Although different in subject, theme, and style, the three novels have the following basic and common characteristics of universal significance: Reflecting the spirit of our times and adhering to the theory of being a reflection of historical materialism, the three novels are characterized by a distinctively realistic sense and a profound historical sense; deeply and extensively reflecting people's lives, ideologies, feelings, and hopes in a certain historical period and successfully portraying a series of models and typical characters, the three novels have a strong ideological force and a strong artistic charm; adhering to the tradition of revolutionary realism, and by using and mastering the positive achievements of traditional Chinese culture and the world culture on this basis, the three novels have shown the writers' active artistic exploration and initiative and given people a new feeling.

The responsibility of writers is to reflect artistically the morale of our times and the hopes, strength, and future of the people, and to encourage the people to strive for a better future. This not only requires us to be boundlessly enthusiastic about and firmly believe in our communist cause which represents the long-term and present interests of the people, and to have the necessary talent and knowledge needed for creating literary works, but also requires us to sympathize strongly with people's ideology and feelings on the basis of a rich accumulation and through understanding of people's lives. Without these, it will be difficult for us to create excellent literary works which can truly reflect our times and really belong to the people. During a historical period of great social change, it is more important that writers delve deep into the life. As far as this is concerned, the creative road taken by Li Zhun, Zhang Jie, and Liu Xinwu has greatly inspired the broad masses of writers. Li Zhun went deep into the areas swamped by the Huang He, Zhang Jie went deep into the industrial front, and Liu Xinwu went deep into the life of Beijing residents. They did all these unconditionally and wholeheartedly for an extended period of time so that they acquired a deep understanding of our nation's exuberant vitality, unity, and firm and indomitable will to shake off the historical burden, and of our nation's bright future. In order to express all these in a precise and appealing way, they also carried out arduous artistic exploration, racked their brains, mulled things over, made decisions, and followed what is good to improve their creative skills. Their success is not accidental. The interaction of such subjective conditions as the times, life, sense of social responsibility, and arduous work have contributed to their success.

In order to push forward with the continuation of the building of the four modernizations, which has already achieved some outstanding progress but still has a lot of difficulties, and in order to play a more important role in portraying a generation of new socialist people who have ideals, moral integrity, culture, and discipline, to develop literature itself, and to enable contemporary Chinese literature to shine more brightly in the world, our writers must further strengthen their sense of social responsibility, further broaden their horizons, and further strengthen their ability to understand, master, summarize, and depict life. Our writers should work conscientiously and earnestly, strive still harder, and unceasingly continue to advance. Meanwhile, the leading organs in charges of literary work at various levels should further strengthen and improve their leadership over literary creation and try their best to create conditions for writers and artists so that they will be able to develop fully their wisdom and talents. We must be cautious in dealing with the problems in literary creation and should not only carry out frank and serious criticisms, but also try our best to encourage and guide the writers and artists so as to enable them to have the courage to foster and express their courage and insight and become willing to correct the mistakes which will inevitably appear in their literary and artistic explorations.

Our country is now undergoing profound changes, and the boundlessly vivid and rich real life has provided literary creation with inexhaustible sources. The CPC Central Committee has called on writers to adhere to the socialist orientation and strengthen their sense of social responsibility while freely creating literary works, thus pointing out the way for the healthy development of literary creation. Since the 3d Plenary Session of the 11th CPC Central Committee, the ideological and artistic qualities of our creative forces have continuously improved. All these determine that there will major breakthroughs in our country's novel writing and all literary creation of our country in a few years, and great literary works worthy of our times and which can be handed down to our future generations will be created. This is also the hope of our party and people. We hope our writers will achieve this goal as soon as possible.

GUANGMING RIBAO SPONSORS LITERATURE, ART FORUM

HK020433 Beijing GUANGMING RIBAO in Chinese 24 Dec 85 p 1

[Report by Gong Suyi: "Literature and Art Department of GUANGMING RIBAO Invites Some Xian Area Writers and Artists to a Forum -- Freedom of Creation Must Be in Line With Sense of Social Responsibility"]

[Text] The GUANGMING RIBAO Literature and Art Department invited some Xian area writers and artists to a forum on 20 December. Those attending the forum expressed their views on such issues as how the writers and artists are to bring into play their active role in building socialist spiritual civilization; the relation between the freedom of creation and the sense of social responsibility; the relation between artistic exploration and social effects in literature and art creation; the relation between the development of various subject matters and the sense of the times; the relation between expressing the different realms of life and the mastery of life as a whole; the relation between referring to foreign literature and art and adhering to national style; and the relation between doing a better job in expressing the reform in the realities of life and guarding against the new tendency to write according to some fixed formulas and concepts.

Attending the forum were writers Du Pencheng, Wang Wenshi, Li Ruobing, Jia Pingao, Lu Yao; Liu Wenxi, traditional Chinese painter and deputy director of Xian Academy of Fine Arts; Lu Bing, director of Shaanxi Provincial Song and Dance Troupe; and Zhang Ziliang, playwright of the Xian Film Production Factory.

Those attending held that when exploring the freedom of creation, the sense of social responsibility and the present condition of literature, the progress of literature should be examined at a higher level; namely, linking it with the historical progress of China's modernization and the creative activities of the people in invigorating the Chinese nation. Therefore, the writers and artists should stand at the forefront of building socialist spiritual civilization with all their zeal.

Referring to the just concluded Shaanxi provincial conference on literature and art creation of young writers, writer Du Pengcheng said that those writers attending the conference were under the age of 35; they are placing themselves in the midst of practice, the masses, construction and reform, which is very precious; because all this is a solid foundation for literary accomplishments.

Writer Wang Wenshi holds that a writer or artist is pursuing something all his life -- original creation, something new, surpassing himself as well as his predecessors. This is a matter of course. Society should enthusiastically help writers and artists in their original creation of many different schools. But in the final analysis, the creation of any work of any school should aim at pursuing the highest possible social effect in building socialist spiritual civilization.

Li Ruobing says, that we should also note that there are still only a few excellent works giving profound expression to the features of modernization builders, while some low taste and vulgar things unworthy of literature have emerged. In my opinion, the chief reason lies in the fact that some writers and artists have strayed far from the realities of life, and become divorced from the masses. They are bent on seeking freedom of creation in their self expression, but lack a strong sense of social responsibility.

Freedom of creation for writers and artists should be unified with their sense of social responsibility. Young writer Jia Pingao says that at a time when freedom was not ensured in creation, we loudly appealed for the freedom of creation. Today, when the freedom of creation is ensured, we call for the writers to strengthen their sense of social responsibility. If the ancient people proposed that "literature serve politics" and "writing should aim to be helpful," should we not do this even more today? If a writer were to neglect the people and be indifferent to them, the people would certainly do the same thing to him in the end.

Young writer Lu Yao aired his view on how literature should powerfully reveal and give expression to life in times of great changes. He says that the proposal that writers and artists go to the "primeval jungle" "looking for the root," is perhaps questionable. He holds that some friends may go "looking for the root," but a more important task facing us today is to show concern for the building of the new life which is under construction.

That writers and artists should play a more active role in building socialist spiritual civilization, and that they should strengthen the sense of social responsibility is actually one question; namely, the writers and artists should pay attention to the social effects of their works. Zhang Ziliang, who wrote the screenplay for the movies "Yellow Earth" and "The Silent Xiaoli River" said with profound conviction: In recent years, I have been working on creating historical themes, and I have learned from practical experience that much can be accomplished in the exploration in historical culture and national spirit, over a broad field.

Many comrades at the forum said: To further enrich our literature and art, it is necessary to give expression to life at deeper levels, and new tendencies to write according to fixed formulas and concepts should be avoided. Writers and artists should conduct varied exploration in art, indulge in the pursuit of many levels, and produce works worthy of the times, in order to stimulate people to go in for the "four modernizations" of the motherland more vigorously.

SCHEDULED SHOWING OF LIVE AID CONCERT CANCELED

HK011215 Hong Kong AFP in English 1213 GMT 1 Jan 86

[Text] Beijing, Jan 1 (AFP) -- Chinese officials today said they had cancelled a scheduled television showing of the Live Aid rock concert which raised million of dollars for African famine relief last year.

Officials at China Central Television said the hour and fifteen-minute telecast -- the first ever in China -- had been cancelled at the last minute due to "technical problems." But a source close to Chinese cultural circles said the cancellation coincided with a recent tightening of controls on drama and popular entertainment, including a crackdown on foreign influences seen as decadent or unhealthy.

China was one of the few major countries in the world not to participate in the 36-hour concert last July, though a brief segment was broadcast on television news, and articles about Live Aid appeared in the Chinese press.

The decision not to take part sparked a minor debate among Chinese intellectuals, with some arguing that China missed a chance to show itself part of the world community and others responding that pop stars in the concert were unsuitable models for Chinese youth.

Analysts said the cancellation was the most recent indication of a conservative mood that has overtaken Chinese cultural circles since a high tide of liberalism early last year, when the British pop group Wham performed before packed stadiums in Beijing and Guangzhou. The warm reception audiences gave the Wham performance, which featured a sexually suggestive widescreen video and leather-miniskirted girl dancers, made officials wary of other foreign singers seeking to perform in China, the analysts said.

Chinese officials cancelled a planned tour by the Australian rock group Men at Work last August, at which time one official explained that their music "was not welcomed by Chinese youth at this time."

Popular martial arts novels, a handful of serious literary works and a controversial drama exposing the ironies and difficulties of Chinese life, have also been officially criticised or restricted in recent months.

China has nonetheless remained open to an increasing number of cultural exchanges in drama, classical music and the arts, including abstract and pop art, and analysts said there was as yet no indication of a reversal in China's open policy in cultural endeavours.

Observers said that Live Aid may have been considered particularly inappropriate for New Year's Day, a time when the Chinese Communist Party has traditionally set the moral tone for the year ahead with ideological editorials and broadcasts.

DIFFERENCE DESCRIBED BETWEEN CO-OPS, COLLECTIVES

OW170902 Beijing XINHUA in English 0845 GMT 17 Dec 85

[Text] Beijing, December 17 (XINHUA) -- Rural cooperatives, which have emerged over the past few years, should be regarded as a basic form of socialist public ownership, says an article in the ECONOMIC DAILY.

China now has 467,000 such units, which are run by groups of rural households, or households and collective enterprises, or households and state-owned businesses.

Cooperatives can engage in many businesses such as farming, forestry, livestock breeding, fisheries, industry, commerce, transportation, construction, and other services.

Today such co-ops differ in five major respects from the collective organizations set up following the collectivization movement in the countryside in the 1950s, says the article by Wang Yiju and Ruan Shifeng.

"First of all, the co-ops are a result of the fast-growing socialist commodity economy, now a priority in expanding the rural economy, whereas collective organizations resulted from the collectivization of individual peasants and are not related to the commodity economy."

Second, the co-ops are formed voluntarily by members -- individuals, collective enterprises and state-owned businesses -- which are able to provide funds, techniques, work sites, equipment and business information.

The article points out: "The co-ops can, therefore, break ownership, regional or industrial barriers." For example, some co-ops involve farming and industry, others undertake farming and commerce and still others engage in agriculture, industry and commerce.

However, collective organizations are set up geographically, such as a people's commune, productions teams and brigades. It is almost impossible for members to choose which unit they should join or other members with whom they prefer working.

Third, participants of a co-op freely withdraw from it, transfer investment to others and share profits; while members of a collective organization do not own what is invested in it, even though it may be a redemption or repayment of dividends and bonuses.

Fourth, as an independent economic entity, the co-op is not subject to any administrative department, but operates under the state policies and laws. However, the collective organization is subject to administrative departments at all levels.

Fifth, the co-op is open to society and any individual and unit can invest in it and join it on a voluntary basis, the article says. However, the collective organization mainly depends on its own fund accumulation for expansion, or is merged with other collective organizations managed by the same department on the order of higher authorities.

LI PENG CONGRATULATES MINISTRY ON POWER PROJECTS

OW311012 Beijing XINHUA in English 0956 GMT 31 Dec 85

[Text] Beijing, December 31 (XINHUA) -- China's thermal and hydro-electric power producers added a combined generating capacity of 6,100 mw this year, a record high, the Ministry of Water Conservancy and Electric Power said here today.

The new generating units that have gone into operation are installed in power stations and plants mostly located in the eastern part of the country, which is more economically developed and yet has an acute shortage of power supply, the ministry said.

With a national generating capacity of 86,220 mw, China expects to produce a total of 406 billion kWh of electricity this year, the last year of the Sixth Five-Year Plan (1981-1985), about 40 billion kWh more than the target set for the year. While congratulating the ministry on what it has achieved this year, Vice-Premier Li Peng stressed that power supply would remain strained in China for a fairly long period of time, adding that more arduous work was ahead.

Beginning next year, Minister Quian Zhengying of Water Conservancy and Electric Power said that apart from intensifying the construction of some large power projects by the central government, the provinces themselves would raise more funds for their power undertaking.

LI PENG URGES IMPROVED ENTERPRISE MANAGEMENT

OW311014 Beijing XINHUA in English 1005 GMT 31 Dec 85

[Text] Beijing, December 31 (XINHUA) -- Chinese enterprises should strive to improve management and raise technical skills among workers through learning from foreign experience, Vice-Premier Li Peng said here today.

Li, who is also a member of the Communist Party Central Committee's Political Bureau, said enterprises should consider hiring foreign technicians as advisers.

During an inspection of the Beijing oil pumps and nozzles plant, Li praised the factory's move to establish a technical training school to be run jointly with a firm from the Federal Republic of Germany.

He said factories should step up efforts to improve the technical skills of their work forces, and to train a new generation of skilled workers. This would enable them to improve quality and raise productivity.

The training of workers was an important way of enabling them to play a greater role in the running of factories.

Li has visited the oil pumps and nozzles plant several times over the past year. In 1985, it made a total profit of 700,000 yuan, ending a run of 11 years operating at a loss. It employs 2,400 people.

TIAN JIYUN REPORT HEARD AT RURAL WORK MEETING

OW010426 Beijing XINHUA Domestic Service in Chinese 0856 CMT 31 Dec 85

[By RENMIN RIBAO reporter Xiao Junxi and XINHUA reporter Shao Yongli]

[Excerpts] Beijing, 31 Dec (XINHUA) -- A national conference on rural work, held by the Ministry of Agriculture, Animal Husbandry, and Fisheries, pointed out: China has achieved tremendous success in rural economic reform, bringing prosperity to all undertakings in rural areas. The stress of the work of the departments of agriculture, animal husbandry and fisheries next year will be to persist in further reform, continue readjusting the setup of production, offer better service, and promote steady and coordinated agricultural development.

The 12-day conference ended on 22 December. The conference summed up the experience of implementing the Sixth 5-Year Plan, and arranged the Seventh 5-Year Plan. It also studied and arranged the 1986 work in accordance with the guidelines of the central conference on rural work, which was held at the same time.

Vice Premier Tian Jiyun delivered a report and Du Runsheng, director of the Rural Policy Research Center of the Central Secretariat spoke at the national conference.

He Kang, minister of agriculture, animal husbandry and fisheries, presided over the conference which was attended by some 300 persons. The participants included directors of all provincial, municipal, and autonomous regional departments (bureaus) of agriculture, animal husbandry and village and township enterprises, and the responsible comrades of the ministries and commissions concerned of the State Council.

LEADERS ATTEND SHANDONG ARMY SUPPORT RALLY

SK310344 Jinan Shandong Provincial Service in Mandarin 2300 GMT 30 Dec 85

[Excerpts] On the afternoon of 30 December, at the Bayi Auditorium, Shandong Province, the leading organ of the Jinan Military Region, and Jinan City held a ceremonious rally on supporting the Army and giving preferential treatment to families of revolutionary army men and martyrs and on supporting the government and cherishing the people. Attending the rally were more than 2,000 cadres and people from various fronts, PLA commanders and soldiers, veteran Red Army soldiers, and family members of revolutionary army men and martyrs. The auditorium was permeated with a warm atmosphere characterized by the unity between the Army and the people.

Also attending and seated on the rostrum were Liang Buting, secretary of the Shandong Provincial CPC Committee; Li Changan, deputy secretary of the provincial CPC Committee and governor of the province; Lu Maozeng, deputy secretary of the provincial CPC Committee, Jiang Chunyun, deputy secretary of the provincial CPC Committee and concurrently secretary of the Jinan City CPC Committee; Yang Xingfu, Zhou Zhenxing, Feng Lizu, Zheng Weimin, and Xu Shulin, Standing Committee members of the provincial CPC Committees; Su Yiran, chairman, Wang Jinshan, vice chairman, and Wang Junzhai, Liu Zhongqian, and Sai Feng, Standing Committee members of the Advisory Commission of the Shandong Provincial CPC Committee; Li Farong, secretary, and Sun Shuzhi and Yuan Bo, deputy secretaries of the Discipline Inspection Commission of the Shandong Provincial CPC Committee; Li Zhen, chairman, and Xiao Han, Xu Leijian, Zhang Zhusheng, Xu Jianchun and Lin Ping, vice chairmen of the provincial People's Congress Standing Committee; Ma Shizhong, Lu Hong and Ma Changgui, vice governors of the province; Song Yimin, Zhang Jingtao, and Zhu Qimin, advisers to the provincial government; Liang Deshan, president of the provincial Higher People's Court; Zhou Xingfu, Xu Meisheng, Xu Wenyuan, Kong Lingren and Ding Fangming, vice chairmen of the provincial CPPCC Committee; Li Jiulong, commander, Gu Hui, deputy commander, Song Qingwei, deputy political commissar, (Guo Fuzhou), chief of staff, Xu Sheng, Logistics Department director, and Xu Chunyang, secretary of the Discipline Inspection Commission of the Jinan Military Region; Lin Jigui, commander, Zhang Zhenxian, political commissar of the Air Force of the Jinan Military Region; Liu Yude, commander, (Tao Pengsheng), political commissar, (Hao Baoqing), deputy chief of staff, (Cai Renshan) and (Yuan Shoufang), deputy directors of the Political Department, (Sun Kai), deputy secretary of the Discipline Inspection Commission, and (Jing Guocai), deputy director of the research office of the provincial military district; (Chen Yinghai), political commissar of the Jinan Army School; Chen Renhong, member, and He Guoqiang, alternate member of the CPC Central Committee staying in Jinan; Rao Shoukun, Kong Shiquan and Zhao Lin, members of the Central Advisory Commission; Fan Chaoli and Wang Zhongyin, members of the Central Discipline Inspection Commission; Wu Kaizhang and Gao Qiyun, veteran comrades of the province; Zhang Feng, Li Suiying, Bai Bin, Pan Qiqi, Zhang Zhi, Ren Sizhong, and Xu Zhongyu, former leading comrades of the Jinan Military Region; Zhai Yongbo He Zonggui, Li Yuanrong, and Zhang Jun, leading comrades of Jinan City; (He Qiaolong), representative from the Yunnan frontier area; (Sheng Xinghan), father of Sheng Qishun who won a first class merit citation; and (Liu Fenghua), mother of martyr (Jia Ke).

Comrade Jiang Chunyun presided over the rally. Comrades Li Changan and Li Jiulong spoke.

In his speech, Comrade Li Changan first extended, on behalf of the Shandong Provincial CPC Committee, the people's government, and the people throughout the province, warm regards and festive greetings to all commanders and fighters of the PLA units stationed in Shandong and the People's Armed Police Force, to family members of revolutionary army men and martyrs, to revolutionary disabled army men, demobilized and retired army men and those who were transferred to civilian jobs, and to retired old comrades of the PLA units.

He said: During the past year, further carrying forward the glorious traditions and fine work style of our Army, the PLA units and Armed Police Force stationed in our province not only achieved remarkable results in safeguarding the motherland, maintaining public security and social order, and intensifying their efforts in building the Army into a revolutionary, modern, and regular one but also made important contributions to supporting local construction, participating in the disaster rescue work, building civilized units together with civilians, and vigorously training personnel competent for both military and civilian use.

According to incomplete statistics, the Army devoted 2.79 million labor days to supporting local construction, sent 61,300 vehicles and machines of various types, and gave treatment to civilians some 580,000 times during the past year. This showed that the PLA and the Armed Police Force deserve to be called a great Army in safeguarding and constructing the motherland, the Army of the people, and the most beloved persons of the 1980's.

In his speech, Comrade Li Jiulong first extended, on behalf of the CPC Committee, the organs and commanders and fighters of the Jinan Military Region, warm regards and festive greetings to the Shandong Provincial CPC Committee and people's government, the Jinan City CPC Committee and people's government, and the people throughout the province.

He said: During the past year, under the correct leadership of the provincial CPC Committee and government, the people throughout Shandong Province unswervingly implemented the party's line, principles and policies, persistently carried out reforms, opened to the outside world, enlivened the domestic economy, simultaneously built the two civilizations, and achieved tremendous results and progress in politics, economy, and social life.

Comrade Li Jiulong said: Shandong is an old revolutionary base area, and its people possess glorious traditions. During the past year party and government organs at various levels and the people throughout the province conscientiously implemented the guidelines of the national support-the-Army and support-the-people rally held last year, and the guidelines of the circular on respecting and cherishing the Army, and actively supporting its reform and construction issued by the CPC Central Committee and State Council this year. They made new progress in the activities of supporting the Army and giving preferential treatment to families of revolutionary army-men and martyrs which were carried out more extensively, vigorously, and thoroughly, in a more down-to-earth manner than in previous years. Everywhere in the vast Shandong Province, from the Jiaodong peninsula to the eastern Shandong plain, and from Yimeng mountainous area to the Bohai seaside there was a moving scene in which people showed concern for, supported and cherished their Army. With a deep and close fish-and-water feeling as they had shown in the years of war, the provincial CPC Committee and government, and the people throughout the province inspired the morale of the Army with various measures, and supported it to fulfill its various tasks. The activities of always cherishing the memory of soldiers initiated by Shandong University were carried out by the people throughout the province, especially young people, and very good results were achieved in the activities to respect, cherish, and publicize the PLA. Party organizations and governments at various levels actively helped families of revolutionary army-men and martyrs solve their practical daily problems, made good job arrangements for Army cadres who were transferred to civilian jobs and retired army-men, made arrangements for retired cadres, helped the Army in training personnel competent for military and civilian use, and supported the Army from various fields to carry out administrative streamlining and reorganization and to build itself into a revolutionary, modern and regular Army. The deep love of the Shandong people for the Army profoundly reflected the new relations between the Army and the government and between the Army and the people, and fully embodied the mental attitude of loving the country and supporting the Army of the people throughout the province.

Comrade Li Jiulong said: The new year will soon begin. In the new year all commanders and fighters of the military region will take the love and support of the Shandong Provincial CPC Committee and government and the people throughout the province as an impetus, will be modest, prudent, and respect themselves; resolutely implement the strategic policy decisions of the CPC Central Committee and the Central Military Commission; carry out the party's line, principles and policies and the state laws and decrees in an exemplary manner; firmly bear the overall situation in mind; actively participate in the state's economic construction; greatly strengthen ideological and political work; do a good job in building socialist spiritual civilizations; further open up a new situation in supporting the government, cherishing the people and building the Army; and repay the party and the people's kindness, support and deep love with actual deeds in safeguarding and building the motherland.

Before the rally, leading comrades of the province, the Jinan Military Region, Jinan City, and representatives of the families of revolutionary armymen and martyrs held a discussion.

SHANGHAI ELECTS JIANG ZEMIN DEPUTY TO NPC

OW290628 Shanghai City Service in Mandarin 2300 GMT 28 Dec 85

[Text] A resolution on basically popularizing essential legal knowledge among Shanghai citizens was adopted at the 19th session of the Standing Committee of the Shanghai Municipal People's Congress. The resolution states: 1986 is the first year of our all-out drive to popularize essential legal knowledge among our residents. We must successfully carry out this task.

The resolution says: Cadres at all levels, particularly leading cadres, will be the main targets in this drive. Serious efforts should be made to train and test them. Schools are an important front in this drive. Courses on the legal system should be opened in all types of schools in the municipality.

In its report to the session, the municipal Justice Bureau pointed out: The educational drive must emphasize practical results. Certificates will be issued to persons passing the evaluation test.

The 19th session of the Standing Committee ended on 28 December after electing Jiang Zemin and (Wang Pinxian) deputies to the Sixth NPC. It also appointed (Ye Pinfang) chairman of the municipal Economic Commission and relieved Ruan Chongwu of his posts as vice mayor of Shanghai, chairman of the municipal Planning Commission, and chairman of the municipal Government Structure Commission.

GUANGDONG COMPLETES HALF OF 5-YEAR PLAN PROJECTS

HK310237 Beijing ZHONGGUO XINWEN SHE in Chinese 0740 GMT 30 Dec 85

["Guangdong Completed Only Half Its Key Projects During the Sixth 5-Year Plan" -- ZHONGGUO XINWEN SHE headline]

[Text] Guangzhou, 30 Dec (ZHONGGUO XINWEN SHE) -- Our reporter has learned from the departments concerned that by the end of this year 18 key projects in Guangdong have been built and put into production. Eleven of these projects have been completed, and single items of the other seven have been completed and put into production.

The 11 key projects completed this year are: the 200,000 kilowatt generator set of Shaoguan power plant; two generator sets, totaling 24,000 kilowatts, at the Baipenzhu reservoir in Huidong County; the Hongxing-Zhaoqing-Yunfu, Zhaoqing-Wuzhou, and Foshan-Hongxing power transmission lines on the Guangdong-Guangxi power grid; the 110,000 kilovolt power transmission line from Pingshan at Baipenzhu to Huizhou; the Beijing-Wuhan-Guangzhou coaxial telecommunications cable; the 1,800-circuit microwave link between Guangzhou and Shantou; the Yunfu sulfur iron mine, the largest nonferrous metals processing plant in central-south China; the Shenzhen cold store; the third bridge over the Zhu Jiang at Guangzhou; and the Guangzhou Yuzhu shaving board plant.

The seven projects in which single items have been completed and put into production are: the No 8 container berth in the second stage of Huangpu new port, and the ship-to-ship transit wharf at Hongshengsha in Huangpu port; six 10,000-ton berths at Zhanjiang port; the Sanyao section of the Guangzhou-Maoming railroad (tracklaying from Sanshui via the Xi Jiang Yinqiao bridge); the teaching building of Shantou University; the quarters for Overseas Chinese students at Jinan University; the teaching building and the quarters at the Guangdong Industrial College; and telecommunications projects in Guangzhou, Shenzhen, Zhuhai, and Shantou.

Guangdong had a total of 36 state and provincial-level key projects during the Sixth 5-Year Plan. Half of them have now been completed, and construction of the other half is proceeding rapidly.

Progress on some projects has been effected by lack of capital and material or else by design and equipment problems. Such projects include the double-tracking of the Hengyang-Guangzhou railroad, Dongshan bridge, Meixian City, Haikou airport, Guangzhou Sun Yat-sen library, and the acrylic project of the Maoming chemical textile general plant. The construction cycle of the South China Sea Oil Center, a Sino-foreign joint venture, was extended due to accidents caused by poor quality. At present the provincial government is taking steps to solve the problems that have arisen in these key projects. It is instituting investment contract responsibility and tender contract responsibility systems in order to speed up construction work.

GUANGDONG CONSOLIDATES STATE-RUN ENTERPRISES

HK311203 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 30 Dec 85

[Text] After 4 years of efforts, the province has accomplished the task of fully consolidating state-run enterprises. More than 98 percent of the 2,529 state-run industrial enterprises listed in the provincial budget, including the 70 large- and medium-size key enterprises, have met the prescribed requirements.

The province began consolidating enterprises in an all-round way in 1982. Changes have taken place in enterprises in the following fields over the past 4 years:

1. Old members have been replaced by new ones in the leading groups of enterprises in line with the four requirements on cadres. Their quality has been greatly upgraded.
2. The economic responsibility system inside enterprises has been constantly perfected. All enterprises have strengthened production command and management systems.
3. All rules and regulations have been perfected. Quite a few enterprises have instituted modern management and upgraded their management level in business operations.
4. Many enterprises have raised economic efficiency in the course of consolidation. By the end of November this year, the total output value of state-run industrial enterprises listed in the budget increased by 21.9 percent over the same period last year. The profits achieved increased by 21.7 percent over the same period of last year.

INCOME OF VIETNAMESE REFUGEES IN GUANGXI INCREASES

HK010856 Beijing ZHONGGUO XINWEN SHE in Chinese 0139 GMT 31 Dec 85

[Text] Nanning, 31 Dec (ZHONGGUO XINWEN SHE) -- There are more than 13,000 Vietnamese refugees living in Xingang Town, Beihai City, Guangxi. This year, the average income of able-bodied workers among them is about 2,500 yuan. This year they have earned their highest income to date.

Xingang Town was built in 1978 in order to make arrangements for the Vietnamese refugees. In the past, fishermen in the town were mainly engaged in the occupation of fishing for aquatic animals and plants. The average yearly income of each able-bodied worker who worked at sea was only 300 yuan. Since 1982, Xingang Town has turned its unitary fishing production into a systematic type of production with equal emphasis on the fishing industry, processing industry, and exports. It has achieved marked economic results. This year, the total output value of the town's fishing industry, processing industry, and exports reached more than 30 million yuan, which is a record high for the town.

HENAN VICE GOVERNOR ON ECONOMIC DEVELOPMENT PLANS

HK010508 Beijing CHINA DAILY in English 1 Jan 86 p 1

[By staff reporter Hu Sigang]

[Text] Zhengzhou -- Henan Province, often called the "centre of China," has mapped out an ambitious plan to tap its rich resources and spur its economic development over next five years. Qin Kecai, vice-governor of Henan Province, said in an interview with CHINA DAILY that greater effort would be made to turn Henan's abundant resources into an abundance of products for the economy.

Annual output of natural gas is expected to reach 300,000 million cubic metres by 1990 compared with 600 million cubic metres this year. Crude oil output will be increased from 7.93 million tons this year to 15 million tons by the end of the plan, which begins on New Year's Day. With rich deposits of bauxite, the province plans to increase the production of oxidic bauxite to 800,000 tons in the next few years.

Henan tops other provinces in reserves of molybdenum, blue asbestos and coal. It is estimated that there are 107 different minerals in the province, 74 deposits of which have already been established. Due to the lack of scientific and technological expertise, funds and advanced equipment, the province used to sell its minerals as raw materials. Qin said: "We will strengthen processing, produce more quality mineral products and increase variety."

He said steps would be taken to attract more foreign investment. During the Sixth Five-year Plan (1981-1985), only \$103 million of investment was introduced, which was "far too little," the vice-governor said. "We welcome both foreign and domestic businessmen to invest in our province. We also welcome scientists and technicians to work here and we'll provide them with preferential conditions," he said. Increasing exports will also be an important task for the province. By 1990, export volume is expected to be worth more than 1 billion yuan.

Although Henan is a hub of communications in the country, it is hampered by a bottleneck of oneway traffic over the Yellow River. It is common to see miles of loaded trucks, buses and cars jammed on either side of the bridge near Zhengzhou. "Surveys show that 48 per cent of the trucks passing through are loaded with coal from Shanxi or Henan provinces," Qin said. To ease the situation, a second Yellow River Bridge will be completed on October 1, 1986 and a third bridge will be built near Kaifeng. An east-west highway linking Xian, Luoyang, Zhengzhou, Kaifeng and Lianyungang is also included in the province's Seventh Five-year Plan. The present railways through the province are to be electrified. Work has already started on the section from Zhengzhou to Baoji, in Shaanxi Province, with investment from Japan, and the section from Zhengzhou to Wuchang, in Hubei Province, will start during the next five years with the investment from the World Bank.

"By completion, freight volume can be more than doubled," Qin said.

HUBEI CIRCULAR ON FAMILY PLANNING AROUND FESTIVALS

HK011519 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 30 Dec 85

[Text] The provincial people's government recently issued a circular to the entire province, demanding that in accordance with the characteristics of the festivals, governments at all levels must conduct good publicity and education about family planning around New Year's Day and the Spring Festival.

The circular points out: The average number of births per year from 1962 to 1973 was some 1.21 million. These people will now be entering the marriage and child-bearing age. We shall face a new peak of births which will last for over 10 years. Therefore, the work of family planning must not be relaxed. The year 1986 is the first of the Seventh 5-Year Plan. Governments at all levels must really include the work of family planning on their agenda and grasp it firmly and well.

The circular demands that all places vigorously publicize the party's principles and policies on family planning, continue to advocate that each couple should give birth to one child, and curb the idea of a second birth or additional births in excess of the plan. It is necessary to correct the prevalent viewpoint that two children are generally permitted and that a family is complete only when a son is born. Ideological education must be correspondingly conducted and economic restrictions and administrative measures must be applied in the places where births seriously exceed the plan so as to put the birth situation on a planned path.

WU JINGHUA SPEAKS ON XIZANG PROBLEMS, TASKS

HK010455 Lhasa Xizang Regional Service in Mandarin 0100 GMT 1 Jan 86

[Excerpts] On the morning of 29 December, Xizang Regional CPC Committee Secretary Wu Jinghua made an important speech at an enlarged meeting of the Shannan Prefectural CPC Committee. He first affirmed the achievements of the prefectural CPC Committee in recent years.

He said: The leading comrades of the CPC Central Committee have affirmed the arrangements of the prefectural CPC Committee for implementing the enlarged meeting of the Xizang Regional CPC Committee Standing Committee, and have demanded that these arrangements be resolutely carried out. I hope you comrades here will lead the cadres of all nationalities in the party, government, and Army, in the prefecture and mobilize all sectors to form a still more extensive powerful united front so as to properly implement the spirit of the enlarged meeting of the prefectural CPC Committee.

Demanding that the cadres at all levels seriously review 1985 and look at the prospects for 1986, Comrade Wu Jinghua said: Since June 1985, the Standing Committee of the regional CPC Committee and the cadres of all nationalities in the party, government, and Army throughout the region have done a number of very significant things together with the people. Briefly stated, these are: We have stabilized the thinking of the cadres, staff, and workers in accordance with the arrangements of the CPC Central Committee; we have held forums of people of all nationalities and unified people's understanding regarding the party's policies on nationality, religion, and the united front; we have respected nationality customs and habits and the use of nationality language; we have restored the Tibetan names of streets, roads, and places; we have laid particular emphasis on the use of Tibetan language in public places; we have issued a notice prohibiting the use of unauthorized visas; we have accepted 43 projects and the project of blacktopping the Qinghai-Xizang highway; at the People's Congress meeting, we proposed the guideline of governing Xizang by law; we participated in the ceremony to open the Buddha statue at the (Xiaozhou) temple; and we have solemnly and enthusiastically celebrated the 20th anniversary of the founding of the autonomous region.

On the basis of full investigation and study, and in conjunction with Xizang realities, we convened the enlarged meeting of the regional CPC Committee Standing Committee, which focused on going further in totally negating the Great Cultural Revolution, in eliminating leftist ideological influence, and in correcting the ideological line. Our aim in reviewing the work in 1985 is to enable every comrade, every organization, and every unit to seriously sum up the experiences and lessons. The year was a year of great vigor in Xizang. It was mainly a year of propaganda. We publicized at home and abroad our viewpoints, the party's policies on nationality, religion, and the united front, and the policies for Xizang's economic structural reforms.

We must stabilize things in 1986. The party organizations and cadres at all levels must think coolly, investigate and study, and do a thoroughly sound job in implementing policies and reforms. We should make it a year of implementation. Specifically, we are faced with the tasks of reform, of further correcting the ideological line, and of further implementing the rural and pastoral economic policies. We should concentrate on doing a good job in these respects in the first half of the year. Afterwards, we should convene the regional People's Congress to approve the region's Seventh 5-Year Plan for economic construction and mobilize the cadres and people of all nationalities to unite and strive to attain the great goals of this plan.

Our cadres and workers and our Army are still producing and growing goods for themselves. We are practicing a self-sufficient natural economy. We should gradually change this situation. We must make proper arrangements for the daily life of the staff and workers, so that those sent to Xizang will be free from anxiety and not only increase their individual income but also improve their living conditions in terms of food, housing and so on. In this way we can attract people to come here.

Comrade Wu Jinghua stressed: The party, government, Army, people, and the schools and the comrades on all fronts must unify their thinking and totally negate the Great Cultural Revolution. Otherwise, justice will not forgive us, nor would Marx allow it if he were still alive. This is because Marxism is not like the Great Cultural Revolution.

However, some of our comrades still babble that we must affirm the achievements of the Great Cultural Revolution, and cannot afford to doubt them. These muddled ideas show the importance, urgency, and arduous nature of thoroughly negating the Great Cultural Revolution. The comrades on all fronts must unify their thinking and carry through to the end the work of negating the Great Cultural Revolution.

Speaking on boosting confidence and persevering in reform, Comrade Wu Jinghua said: The party organizations at all levels are facing many difficulties that have to be overcome. However, these are all difficulties concerning our onward advance. If these difficulties did not exist, what would we communists do, and what would the cadres at all levels on the Xizang plateau do? We must coolly analyse the difficulties and boost our confidence to overcome them.

We must persevere in reform. The superstructure in Xizang is too big and out of line with its weak economic foundation. There are no prospects for Xizang unless we carry out reforms, neither could we seek the interests of the Xizang people.

Comrade Wu Jinghua in conclusion expressed the hope that each person would contribute his wisdom and talent to the happiness of the people of Xizang. He said: Why did the comrades of all nationalities leave their homes and come to Xizang? To make more money? Our goal is the happiness of the people of Xizang. We must do everything possible and take various measures to act in light of local conditions and bring into play local strong points, to enable the Tibetan and other people in Xizang to get rich as soon as possible. This is the fundamental task of the party organizations at all levels.

REPORTAGE ON YUNNAN CONFERENCE OF CYL DELEGATES

Pu Chaozhu, Others Attend

HK310927 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 28 Dec 85

[Excerpts] The Yunnan provincial conference of CYL delegates opened ceremoniously in Kunming today. This conference will implement and study the spirit of the national conference of CYL delegates, emphasize the study of the problems of leading all young people throughout the province to contribute toward the carrying out of the Seventh 5-Year Plan, and partially reshuffle the committee members of the provincial CYL Committee.

Attending the conference were Pu Chaozhu, secretary of the Yunnan provincial CPC committee; He Zhiqiang and Li Shuji, deputy secretaries; Zhao Shuming, Qiu Chuangjiao, Zhao Tingguang, Zhu Kui, Zhang Zhimin, and Yin Jun, Standing Committee members; Luo Jiguang, deputy secretary of the provincial Discipline.

Inspection Commission, Li Guiying, chairman of the provincial People's Congress Standing Committee; Jin Renqing, vice governor; (Yang Yitang), vice chairman of the provincial CPPCC Committee; and responsible persons of the Yunnan Military District, Kunming City CPC Committee, and departments concerned. Delegates attending his conference are committee members and alternate committee members of the Seventh Yunnan Provincial CYL Committee, representatives of the CYL members on all fronts, and specially invited representatives of PLA heroes and models from the Laoshan and Zheyinshan fronts.

Zhao Shuming, Standing Committee member of the Yunnan Provincial CPC Committee; and (Long Zhongzhi), responsible person of the provincial CYL Committee, spoke in turn at the opening ceremony. In his speech, on behalf of the provincial CPC Committee, Comrade Zhao Shumin gave cordial regards to all delegates attending the conference and CYL members and young people of all nationalities fighting on all fronts throughout the province. He hoped that in coordination with every important step of reform CYL organizations at all levels will vigorously, promptly, penetratingly, and meticulously do their work well, conscientiously plunge into reform, offer advice and work hard for reform, and make more contributions toward the four modernizations.

In his speech, Comrade (Long Zhongzhi) looked back on the work of the CYL in our province over the past 3 years and put forward the focal points and tasks of the work of the CYL in our province for several years in the future. He demanded that under the leadership of the provincial CPC Committee and CPC committees at all levels, young people of all nationalities throughout the province must stand in the forefront of reform; vigorously plunge themselves into the four modernizations; closely unite; work bravely and hard; study hard; open up a new path; make progress; and devote their youth to enriching the people, invigorating the border areas, and carrying out the Seventh 5-Year Plan. They must score heroic achievements that are worthy of the times.

Conference Ends 30 Dec

HK310929 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 30 Dec 85

[Excerpts] The Yunnan provincial conference of CYL delegates successfully concluded in Kunming this afternoon. This conference defined the main tasks and targets of struggle for CYL work in our province during the Seventh 5-Year Plan period. These are: To lead young people of all nationalities in our province to stand in the forefront of reform; to strive to become people of a new type who have lofty ideals, morality, knowledge, and health; and to contribute their youth and render meritorious service toward the accomplishment of the Seventh 5-Year Plan and the realization of the glorious tasks of enriching the people and invigorating the border areas.

At this conference, through deliberation and democratic discussion, 53 provincial CYL Committee members and alternate committee members were reshuffled and augmented and 122 advanced collectives and 235 advanced individuals were commended. The conference also discussed the decisions of the provincial CYL Committee on carrying out the activities of laying a foundation; grasping the basic levels; attaching importance to implementation and seeking practical results among CYL organizations in our province; asking heroes and models from Laoshan and Zheyinshan fronts to report to the delegates; and adopting a letter of greeting from the Yunnan provincial conference of CYL delegates to the commanders and fighters on the border defense fronts in Yunnan.

Zhu Zhihui, deputy secretary of the Yunnan provincial CPC Committee, attended today's closing ceremony.

BEIJING 'MIGRANTS' HAVE HIGHER EDUCATIONAL LEVEL

HK310645 Beijing CHINA DAILY in English 31 Dec 85 p 4

[Text] Over the past three decades, large numbers of people have moved from other parts of the country into Beijing. A recent study found these "migrants" to be on average better educated than native people.

Of Beijing's urban population, more than 80 per cent of college graduates and over 76 per cent of professionals and officials are migrants, according to an article in the Beijing-based journal POPULATION STUDY.

The writers, Ji Ping, and Zhang Kaidi from Beijing Economic Institute, and Liu Dawei, from the Research Office under the Municipal People's Government based their study on a sample survey of 1 per thousand of the urban population.

According to the article, there are three kinds of migrants in the capital. The first are people who were born in Beijing moved elsewhere and then returned. The survey categorized them as "returned migrants."

The second are people who moved into Beijing from their birthplace, or "one-time migrants."

The third are those who had already moved away from their birthplace before finally settling in Beijing, "more-than-once migrants."

The remaining population are those who were born in Beijing and have lived in the city ever since.

The writers found the following:

Of male non-migrants aged over 12, only 5.2 per cent have received college education, and of the female non-migrants aged over 12, 5.5 per cent. For migrants the figures are 15.4 and 10.9 per cent respectively.

Of all male residents with a college education, 84.1 per cent are migrants and of all such female residents, 76.8 per cent.

Forty-five per cent of all migrants with a college education were "more-than-once migrants," and the number of "returned migrants" is in turn bigger than that of "one-time migrants."

Before 1984, only 15.5 per cent of male migrants into Beijing and 7.7 per cent of female migrants had received a college education.

The two figures grew higher with each passing year until the "cultural revolution." In 1965, almost one third of migrants moving into Beijing were college-educated.

Among migrants more than 15 years old, 16.6 per cent were professionals and 14.4 per cent, cadres. Of the non-migrants in the same age group only 5.4 per cent were professional and 4.8 per cent cadres.

Of all returned migrants (without an age exclusion), 10.1 per cent were professionals and 14.3 per cent cadres.

The figures are 14.1 per cent and 25.2 per cent for "one-time migrants," and 24.1 per cent and 21.7 per cent for "more-than-once migrants."

NEI MONGGOL ECONOMIC OFFICIAL ON 1985 ACHIEVEMENTS

SK021120 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 1 Jan 86

[Text] In an interview with a reporter of Nei Monggol radio station given prior to the end of the year, Zhou Rongchang, chairman of the regional Economic Commission, said: Our region's industrial production has embarked on a new path of good production rate and economic results.

Comrade Zhou Rongchang said: In 1985, our region's economic situation, as elsewhere in China, experienced an upward trend of sustained, steady, and coordinated development. In industrial and communications production, in addition to comprehensively fulfilling the prescribed targets of the Sixth 5-Year Plan ahead of schedule, we also fulfilled other economic targets. The region's total industrial output value for 1985 is expected to reach 9.3 billion yuan, representing an increase of about 13 percent. As of the end of November, the amount of profits and taxes handed over to the state had reached more than 900 million yuan, prefulfilling the prescribed target by 1 month. The annual production plans for the region's 100 major industrial products were basically fulfilled or overfulfilled. The energy production situation was gratifying. The 600,000-kw power generating unit of the Yuanbaoshan power plant and the 100,000-kw power generating unit of the Tongliao power plant were completed and generated electricity to feed the power grid, thus giving a great impetus to the economic development of our region and the industrial areas of the northeast region. The region's total coal and power output showed a fairly large increase over last year.

Comrade Zhou Rongchang said: In 1985, our region also succeeded in holding the second trade fair for scientific and technological findings and exhibitions on internationally-advanced food packaging methods and animal husbandry technology and equipment, which played a part in accelerating the region's pace in technical transformation and progress.

Comrade Zhou Rongchang said: Although our region's rate of industrial growth was lower than the national average, some major economic targets, such as sales income, profits and taxes per 100 yuan of sales income, and profits and taxes per 100 yuan worth of products, were higher than the national average. We also scored good achievements in ending deficits and increasing profits. About 55 percent of the money-losing enterprises incurred no deficits in 1985 which enabled the region to rank third in the country in this regard.

Comrade Zhou Rongchang told the reporter that the region's achievements in industrial production resulted from the people's efforts to persist in reform and to implement the policy on opening to the outside world and invigorating the domestic economy.

He said: In the coming year, our region's industrial and communications fronts will continue to firmly carry out reform and to develop the region's industrial and communications production along a sound path and in line with the demands of the Seventh 5-Year Plan.

TIANJIN'S NI ZHIFU ATTENDS NEW YEAR'S SOIREE

SK310605 Tianjin City Service in Mandarin 0030 GMT 31 Dec 85

[Text] The 1986 new year's soiree for army men and civilians sponsored by Tianjin Municipality was held at the cadres' club yesterday. Yesterday evening, the cadres' club was decorated with colored lanterns and filled with a deafening sound of gongs and drums, and there was a jubilant festive atmosphere.

Attending the soiree were Ni Zhifu, secretary of the municipal CPC Committee; Li Ruihuan, deputy secretary of the municipal CPC Committee and mayor of the municipality; Wu Zhen and Tan Shaowen, deputy secretaries of the municipal CPC Committee; Nie Bichu, deputy secretary of the municipal CPC Committee and vice mayor; Zhang Zaiwang, chairman of the municipal People's Congress Standing Committee; Tan Songping, secretary of the municipal Discipline Inspection commission; and Zheng Guozhong and Lan Baojing, responsible persons of the Tianjin Garrison District. Before the soiree, they also met with representatives from various circles, expresses their gratitude to the masses of the cadres and people on various fronts for their tremendous contributions to the municipality's two civilizations, and urged them to continue to make vigorous progress, consolidate and develop the excellent situation, and achieve still greater success in next year's work.

Also attending were Xing Yanzi, member of the CPC Central Committee, Li Huifen, alternate member of the CPC Central Committee, Zhang Lichang, alternate member of the CPC Central Committee and vice mayor of the municipality, Yan Dakai, member of the Central Advisory Commission; Yu Aifeng, member of the NPC Standing Committee, and Wu Tingqui, Standing Committee member of the National CPPCC Committee.

Other party, government and army responsible comrades attending the soiree were Yang Jingheng, Wang Xudong, Ji Zenghui, He Guomo, Chen Yiyi, Zhang Dinghua, Bai Hualing, Hao Tianyi, Bai Hua, Li Zhongyuan, Zhao Jun, Liu Zengkun, Xu Ming, Yang Jianbai, Han Tianyao, Yu Fujing, Shi Jian, Yao Jun, Liu Jinfeng, Li Lanqing, Lu Xuezheng, Li Changxing, Mao Changwu, Xiao Yuan, Zhao Jingsheng, Zhou Ru, Huang Difei, Yu Songting, Liao Canhui, (He Yanran), (Chen Deyi), (Yang Zhihua), (Zhou Xunsheng), (Zhu Qingyu), Zheng Wantong, and (Huang Yanzhi). Also present were veteran comrades, including Li Yanwu, Wang Enhui and Lu Da, and veteran army cadres, including Gao Guanyi, (Xiao Ziyi), Li Zhi, Zhu Biao, (Geng Yuqi), (Shen Yiyi), (Wang Jishan), and Wang Dongfang.

More than 2,000 persons attended the soiree, including responsible comrades of the various departments, committees, and offices of the municipal CPC Committee and government and of various districts and bureaus, veteran cadres who have resigned from leading posts, veteran Red Army soldiers, model laborers, battle heroes, families of revolutionary army men and martyrs, and representatives from various circles of our municipality.

Literary and art workers from the municipality and other places staged colorful programs at the soiree. At the same time films were shown at the people's auditorium and the Guangming Theater.

JILIN GOVERNOR DELIVERS NEW YEAR RADIO ADDRESS

SK020155 Changchun Jilin Provincial Service in Mandarin 2200 GMT 31 Dec 85

[Recorded new year radio address by Jilin Governor Gao Dezhan -- location and date of speech not given]

[Text] The year 1985 has successfully concluded and we are now entering 1986. On this occasion, I, on behalf of the Jilin Provincial CPC Committee and the Jilin Provincial People's Government, extend festive greetings and cordial regards to the broad masses of workers, peasants, intellectuals, cadres, and the PLA commanders and fighters throughout the province.

In 1985, our province scored marked achievements in various sectors of the socialist material and spiritual civilizations under the guidance of the party's line, principles, and policies and through the mutual efforts of the people throughout the province. Our province, as elsewhere in the nation, has created one of the most excellent situations in both politics and the economy since the founding of the PRC. In 1985, the province suffered from unprecedentedly serious disasters since meteorological data have been recorded. However, we won an important victory in combating the flood and dealing quickly with emergencies thanks to the cordial concern showed by the CPC Central Committee and the State Council and the unity and arduous struggle displayed by the people and army men throughout the province. We also reduced our losses as much as possible and scored marked achievements in combating the disaster and providing disaster relief. We adequately provided for the well-being of the victims.

The province reaped a better harvest in agricultural production and may realize about 25 billion jin of total grain output, which is one of the highest yield records since the founding of the PRC. The province also achieved rapid development in forestry and animal husbandry production, sideline occupations, and fishery and in the establishment of township- and town-run enterprises. In general, the total agricultural output value is equal to that of 1984. Such an achievement this year, with the serious disaster, did not come easily.

In industrial production, the province achieved sustained, stable, and harmonious development, markedly increased economic returns, and continuously maintained a simultaneous increase in output value, taxes and profits, and financial revenues. The province first broke the record of 20 billion yuan in total industrial output value this year and may realize 21.4 billion yuan, an approximate 14-percent increase over the 1984 figure.

Taxes and profits handed over to the state by the enterprises whose products are covered by the budget showed about a 20-percent increase. Most of the economic targets fulfilled by the province are better than the average standard in the country, and financial revenues also show a larger increase. The province maintained a balance between revenues and spending and had a slight surplus.

The province also achieved new development in science and technology, commerce, foreign trade, culture and education, public health, physical culture and sports, publication, radio and television broadcasts, and in social progress. The people's standard of living further improved and the program of conducting reforms in various fields is being carried out smoothly. The party rectification drive accelerated the pace of further achieving a turn for the better in party style and social morale, further improving the status of public security, and scoring new achievements in building spiritual civilization.

At present, both urban and rural areas throughout the province display unity, struggle, and prosperity.

The year 1985 was the last year of the Sixth 5-Year Plan period. During this period, our province prefulfilled or overfulfilled the main targets put forth in the Sixth 5-Year Plan. During this period, the province showed a yearly average increase of 10.1 percent in total agricultural output value, 1.4-percent increase over the figure reached during the Fifth 5-Year Plan period. The province showed a yearly average increase of 11.8 percent in total industrial output value, a 5.6-percent increase over the figure reached in the Fifth 5-Year Plan period. The province also showed a yearly average increase of 17.6 percent in consumer purchasing power, 17.9 percent in commodity retail sales, and 13.6 percent in the total procurement of foreign trade. In 1985, the number of higher educational institutions throughout the province showed a onefold increase over the 1980 figure and the number of students was 44.2 percent higher than the 1980 figure. Achievement scored by the province during the implementation of the Sixth 5-Year Plan are unprecedented in the periods of former 5-year plans. All of this has laid a favorable foundation for smoothly implementing the Seventh 5-Year Plan.

The year 1986 is the first year of the Seventh 5-Year Plan period, during which our province will encounter more difficulties after suffering from the serious disaster. It is also a crucial year in which the province will serve as a link between the past and the future. Making a success in the 1986 work has a vital bearing on fulfilling the Seventh 5-Year Plan and making Jilin Province prosperous.

The just concluded work conference of the provincial CPC Committee has made overall plans for 1986 work. The general demands of the plans are as follows: Efforts should be made to continuously implement the spirit of the National Conference of Party Delegates and to persist in giving first priority to reform. The drive to conduct reforms in economic systems, with the work emphasis on enlivening the large- and medium-sized enterprises, commodity circulation, and the economy at county and township levels, should be thoroughly carried out in order for the national economy to maintain a proper growth on the premise of increasing economic results and to make living arrangements for the people in a down-to-earth manner.

Efforts should be made to attach importance to and enhance the program of building a socialist spiritual civilization, to wage the party rectification drive well, and to earnestly grasp the ideological and political work with the core of education on communist ideology in order to consolidate and develop the political situation of stability and unity. Agricultural production should be restored to the standard achieved before the disaster and should show progress in the course of restoration.

Efforts should be made to earnestly implement the principle of not relaxing efforts in grain production while diversifying the economy. In 1986 our province should realize the total grain output of more than 30 billion jin and should continuously do well in building the bases of marketable grains and in establishing a corn production system for export. At present efforts should be made to realistically grasp the preparatory work of seeds, fertilizer, farm machine assignment and repair, agricultural chemicals, and agricultural plastic sheeting; to implement production tasks as soon as possible; to sign various contracts; and to uphold the principle of (? setting forth tasks as early as possible). In 1986, the people throughout the province should also strive to reap a bumper harvest by combating disaster.

In industrial production, the province should continuously maintain sustained, stable, and harmonious development and seek improvement in the course of achieving development. Efforts should be made to improve the standards of economic results, foreign exchanges earned by export, and management. On the premise of increasing economic results, total industrial output value should show more than a 10-percent increase. All enterprises should make a new breakthrough in enhancing business and management and seek better production rates, efficiency, and standards through management improvement. A good job should be done in realistically increasing the variety of products, improving product quality, lowering material consumption and production costs, accelerating fund circulation, conducting production safety, and continuously switching losses to profits. All industrial enterprises should strive to prefulfill their tasks and make a good start and score a high standard at the beginning of 1986.

Efforts should be made to actively create conditions for further improving the people's standard of living, vigorously maintain basic stability in commodity prices, to realistically and successfully engage in the production of nonstaple foodstuffs such as vegetables, meat, and eggs, and to firmly grasp housing construction in order to take a bigger step in improving the people's standard of living in 1986. While doing a good job in grasping the major work of economic construction, efforts should be made to successfully grasp in an overall manner various work in social development, to strengthen the program of building socialist spiritual civilization and the work of ideology and politics, and to fulfill the tasks, with high standards, of the party rectification drive in order to achieve an obvious turn for the better in party style in 1986.

The tasks confronting the people throughout the province in 1986 will be very arduous. Though our province has achieved great progress in the economy and social development over recent years, we should clearly note that our foundation is poor, that the actual economic power is weak, and that we still have a large number of shortcomings in our economic work. In addition, our province has suffered from the serious disaster. All of this has compelled us to work much harder, to exert all-out efforts, to make full use of the existing natural resources and economic foundation of the province to boldly pioneer new roads and make progress in the new year, and to unite as one in waging an arduous struggle to score new achievements and standards on the basis of the previous work.

The people's governments at all levels should further improve their standard of leadership and their ideological and work style in order to wholeheartedly lay a good foundation for the people throughout the province. Under the leadership and concern shown by the CPC Central Committee and the State Council, our province as a whole is determined and confident in working together again for a splendid future and in assuredly accelerating the pace of building socialism in order to further develop the excellent situation and to make Jilin Province more prosperous and beautiful.

I wish all comrades a happy new year. Thank you very much.

SHAANXI REPORTER SENTENCED FOR LEAKING SECRETS

OW282344 Beijing XINHUA Domestic Service in Chinese 1318 GMT 25 Dec 85

[By reporters Hou Jiayin and Liu Haimin]

[Text] Xian, 25 Dec (XINHUA) -- Zhao Jiguang, former reporter of SHAANXI GONGREN BAO was sentenced to 10 years' imprisonment and deprived of political rights for 3 years by the People's Court of Xingping Country, Shaanxi, in compliance with the law, on charges of taking bribes and leaking state secrets.

Zhao Jiguang, 31, was a young reporter with less than 5 years' experience in journalism. In the spring of this year, he went to Xingping County to gather news in his capacity as "vice president of the Shaanxi Provincial Young Reporters Association." He concocted several false reports to make a name for Liu Zhisheng, a big swindler in that county, in disregard of the county CPC Committee's advice against doing so. Later, Zhao Jiguang told Liu Zhisheng that he was going to a meeting in Beijing and would need some cigarettes and wine, which he asked the latter to get for him. Eager to find a "protective umbrella," Liu Zhisheng immediately agreed to do this. Shortly afterward, he gave Zhao Jiguang a package with two cartons of "Golden Monkey" cigarettes on top and two bundles of renminbi in 10-yuan notes, totaling 10,000 yuan, hidden beneath. Zhao Jiguang promptly deposited this money into four savings accounts of the People's Bank in Xian City, using false names and addresses. In addition, he covertly gave Liu Zhisheng four documents, seriously leaking state secrets.

Last July Zhao Jiguang was arrested in compliance with the law. On 20 December the Xingping County People's Court seriously tried this scum of the journalistic community and pronounced judgment on his case. Over 1,000 people were present on the occasion to observe the trial.

SHAANXI REPORTS SIXTH 5-YEAR PLAN ACHIEVEMENTS

HK290604 Xian SHAANXI RIBAO in Chinese 12 Dec 85 p 1

[Report: "Shaanxi Province Has Successfully Carried Out the Sixth 5-Year Plan"]

[Text] According to statistics of the provincial Statistical Bureau, the economic situation in this province is gratifying, and this province has successfully fulfilled the major targets of the Sixth 5-Year Plan.

In the period of the Sixth 5-Year Plan, the economy in this province has developed healthily at a steady pace, and economic work has achieved good results. The people's standard of living has improved. The province has now reached most major economic targets laid down by the state in the Sixth 5-Year Plan. In the past 4 years, the average annual growth rate of total social output value was 9.5 percent, and the growth rate this year is expected to reach 12.6 percent, and the total social output value is expected to reach 31 billion yuan or an increase of 59.1 percent over the 190 figure, thus recording an average growth rate of 9.7 percent over these 5 years. This year, the province's total industrial and agricultural output value is expected to reach 24.8 billion yuan, which will be 59 percent higher than the 1980 figure and mark an average annual growth rate of 9.7 percent. These figures exceed the targets of the Sixth 5-Year Plan, which specifies that the 1985 output value should reach 20.4 billion yuan and the average annual growth rate for the 5 years should be 5.5 percent.

In the previous 4 years, people's incomes increased by an average annual rate of 8.3 percent, and the figure this year is expected to reach 13.4 billion yuan, or an increase of 50.2 percent over the 1980 figure, thus **marking** an average annual growth rate of 8.5 percent. These figures exceed the targets of the Sixth 5-Year Plan which specifies the total incomes in 1985 as 10.74 billion yuan and the average annual growth rate as 5.8 percent. At present, the output of 39 out of 61 major industrial products has reached the targets of the Sixth 5-Year Plan 1 or 2 years ahead of schedule. It is expected that the output of most of these products will reach their targets this year. On the basis of substantial production development, markets in this province are brisk; foreign economic activities and cooperation are expanding; government revenues are increasing; the people's standard of living is improving; and undertakings and enterprises in all fields are developing vigorously.

XINJIANG ISLAMIC BODY CHAIRMAN URGES UNITY

HK300145 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 29 Dec 85

[Report on article by (Abuduola Bamaola), chairman of Xinjiang Islamic Association: "Make Contributions Toward Strengthening Nationality Solidarity and Preserving the Motherland's Unity"]

[Text] The article says: The regional CPC Committee and people's government have always attached great importance to the work of the Islamic Association. For many years they have correctly implemented the party's policy on freedom of religious belief, thus providing legal protection for the religious activities of religious figures and the Muslim masses. In recent years the region has constructed or reopened some mosques and sites for religious activities, thus basically meeting the needs of the Muslim masses in these activities. Religious figures have carried out their activities within the framework permitted by the party's policy on religion. Members of the association and religious figures have publicized to the Muslim masses the party's policy on freedom of religious belief and have also educated them concerning the situation and the law, thus continually enhancing the socialist awareness of the religious figures and Muslim masses. They have built closer ties with the masses of all nationalities and sectors and strengthened nationality solidarity. Religious figures, enjoying peace of mind, have greater trust in the party and government. They are enthusiastically participating in the four modernizations drive. In the rural areas, a number of religious figures have taken the lead in working land by contract and getting rich through hard work. The income of 129 households of religious figures in Xinjiang exceeds 10,000 yuan. A number of models in promoting nationality solidarity have also emerged. In the future, our association must further strengthen ties with religious figures of all circles, bring into play their role in socialist modernization, cherish the situation of stability and unity, which did not come about easily, and make still greater contributions toward strengthening nationality solidarity, preserving the motherland's unity, and developing and building Xinjiang.

XINJIANG AGRICULTURAL PRODUCTION INCREASING

HK280800 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 26 Dec 85

[Text] During the Sixth 5-Year Plan period, our region has seriously implemented the principles of maintaining grain production and of vigorously developing diversification, has constantly readjusted the production structure, vigorously popularized all advanced agricultural techniques and achievements in scientific research, and promoted the continuous and steady increase in agricultural production.

Our region overfulfilled the Sixth 5-Year Plan quotas for the production of grain and oil-bearing crops 2 years ahead of schedule and the Sixth 5-Year Plan quotas for the production of cotton and sugar beets 1 year ahead of schedule. It is estimated that the output of grain in 1985 will be 28.2 percent, cotton 165.2 percent, and oil-bearing crops 64.9 percent, and the gross output of melons and fruits 71.8 percent more than in 1980.

During the Sixth 5-Year Plan period, places throughout Xinjiang have implemented various forms of the contract responsibility system with remuneration linked to output and have fully aroused the enthusiasm of the peasants for production. Agricultural production has developed greatly. In particular, agricultural development in southern Xinjiang is rapid. The south is no longer dependent on the north for grain.

During the Sixth 5-Year Plan period, the peasants' income has markedly increased. It is estimated that the per capita income in the rural areas throughout the region in 1985 will be some 200 percent more than in 1980. The problems of clothing and food for the majority of peasant households have been solved.

During the Sixth 5-Year Plan period, our region has readjusted the grain areas in a planned way and enlarged the areas sown to industrial crops. A good tendency toward the coordinated development of agricultural production has emerged:

1. Output of grain has increased steadily. Since 1980, the gross output of grain in the region has increased by an average of some 430 million jin a year and the average amount of grain per capita has increased to 140 jin. This year, our region has begun supplying grain to other provinces.
2. Industrial crops suited to Xinjiang have developed relatively quickly. The commodity rate of industrial crops, including cotton, oil-bearing crops, sugar beets, and melons, has accounted for 53 percent of agricultural products.
3. The areas of horticultural production have been enlarged. The natural advantages in all places are being transformed into economic advantages.

I. 2 Jan 86

C H I N A
PRC MEDIA ON TAIWAN AFFAIRS

U 1

KUOMINTANG SPY ARRESTED IN MARCH SENTENCED

OW301705 Beijing XINHUA in English 1511 GMT 30 Dec 85

[Text] Beijing, December 30 (XINHUA) -- A Kuomintang spy, named Guo Yiyi, has got a 12-year jail sentence with political rights deprived of for five years, according to the Ministry of State Security today.

He was arrested in Jilin Province in March of this year. Funds and tools for spy activities were seized.

Guo, 34, was a teacher of history at the Northeast Teachers' University.

Seduced by money and women of a Taiwan agency, he became a Kuomintang spy while studying in the United States, and was sent to Taiwan for spy training in March, 1983.

After he returned to Changchun, capital of Jilin, he sent political and military intelligence many times to Kuomintang intelligence agencies abroad and attempted to set up a spy organization.

PRESIDENT ATTENDS NEW YEAR CELEBRATIONS

OW020551 Taipei CNA in English 0258 GMT 2 Jan 86

[Text] Taipei, Jan. 1 (CNA) -- President Chiang Ching-kuo Wednesday led the central government ceremony at the presidential office to celebrate the nation's 74th founding anniversary as well as the New Year's Day.

More than 400 government and military leaders, party chiefs and parliamentary representatives, including former President Yen Chia-kan and Vice President Lee Teng-hui, joined together for the occasion.

They first greeted the president, wishing him a happy new year and good health. Then they exchanged greetings, extending best wishes for the new year.

President Chiang, speaking on the occasion, extended blessing to all people and wished them happiness and good health in the new year.

He also reminded the people that the beginning of a new year is not only a celebrative and joyful time but also the starting omen to look ahead and strive even harder.

Chiang called on compatriots to close ranks and work hand-in-hand, jointly dedicated to making the future of the nation bright.

Before the ceremony closed, President Chiang led all participants in acclaiming "long live the three principles of the people. Long live the Republic of China."

CABINET EXPLAINS SOLEMN TASK OF REUNIFICATION

OW310427 Taipei CNA in English 0301 GMT 31 Dec 85

[Text] Taipei, Dec. 30 (CNA) -- The Executive Yuan of the Republic of China said Monday that to unify China under the three principles of the people is not a slogan or myth. It is, the yuan said, a solemn task of anti-communism and anti-slavery which will rebuild China and promote more welfare for the whole Chinese nation.

The cabinet made the statement in response to legislators' interpellations.

The people of the nation are growing more politically aware due to the progress of the times in general. So their demands on government are correspondingly higher than before, the statement said, adding that the ROC Government is at the same time seeking progress and renovation in politics and other related fields, and its efforts and determination to implement its democratic Constitution will never change.

REORGANIZATION OF OCEAN SHIPPING INDUSTRY URGED

HK011559 Hong Kong HSIN WAN PAO in Chinese 30 Dec 85 p 4

[Special Feature by contributing correspondent Wen Po: "China To Straighten Out Its Ocean Shipping"]

[Text] With the slump in the world shipping industry, the abrupt increase in China's foreign trade volume should give the China Ocean Shipping Corporation (COSCO) the major shipping firm, a most enviable position.

Dramatic Increase in Ocean Shipping Firms

However, such is not the case. Do you know how many shipping firms there are in the mainland? Sixty-seven. This figure is frightening. COSCO's monopoly over ocean shipping has been shattered and the industry is quite lively, with each firm on its own showing its own special ability to survive. In order to survive the competition, COSCO is striving to change its old management and operations methods and seeking to capture a bigger share of the market.

It should be mentioned that some of the new ocean shipping firms are more name than reality. Some "companies" do not have any ocean-going vessels. They use small ships of a few thousand tons to transport native products and cargo to Hong Kong and Japan. Once these shipments reach Hong Kong and Japan, they are transferred to foreign owned cargo vessels and shipped to Europe and North America. The Chinese themselves earn only the short-distance freight from Chinese goods, while the long-distance freight payments go into the pockets of foreign merchants. Indeed, the best part of the deal goes to the foreigners.

Actually, the transport of such cargo could be shouldered solely by COSCO and need not be transshipped in Hong Kong and Japan. Moreover, the Chinese themselves could earn the foreign exchange. However, informed sources said privately that were this so, then some prefectures and counties would have no outlet to spend their foreign currencies and some people would have no excuse to visit Hong Kong and Japan.

One-Fourth of Transport Capacity Laid Off

The vast COSCO possesses a fleet of 614 vessels, including world advanced container ships, roll-on roll-off ships, and half submerged lighters aboard ships. The fleet's total tonnage of more than 1.4 million tons ranks it among the world's 10 largest fleets. The ships sail to some 600 ports in more than 150 countries and regions. However, some departments prefer to rent foreign ships rather than use the national vessels, resulting in this enormous fleet laying off one-fourth of its transport capacity and having to compete for business in the foreign shipping market. The fleet handles only 29 percent of the transport of China's foreign trade commodities. Thus, it is not difficult to imagine how hard up the company is.

Faced with competition and challenges, COSCO has drawn up some reform measures in order to reverse the unfavorable situation. The measures include opening up 94 regular shipping routes, setting up a joint operations venture on the European container shipping routes, and reorganizing part of the shipping routes, strengthening information gathering initiative, paying attention to information on cargo transport and setting up cargo transport departments, engaging in work on gathering and organization of data, rectifying the guiding principle in doing business, fostering the ideology of serving foreign trade and the cargo owner, and proposing new business guidelines for the company -- the consigner uppermost, credibility first, safety and reliability, and fast and economical.

The reforms have shown results. Last year the company made profits, and it is expected to perform even better this year.

Policy of Protecting National Shipping Company

Admittedly, COSCO has its weak points: Its regular sailings often do not arrive on schedule and there are often idle ships in port. In spite of its inadequacies and shortcomings, it is, after all, the Chinese people's first shipping fleet. China's top leaders have repeatedly stressed the policy of "protecting the national shipping company." Not long ago, Vice Premier Li Peng reiterated the importance of protecting the national shipping company and urged COSCO to make a good showing, improve its operations and management, and build up its own credibility.

As for those "ocean-shipping companies" in name but not in reality, China will gradually sort them out. For people who are infatuated with foreign ships, and therefore bring foreign currency losses to the country, it is time to wake up.

MING PAO VIEWS PUBLIC ORDER IN COASTAL PORTS

HK310448 Hong Kong MING PAO in Chinese 30 Dec 85 p 5

["Special Dispatch From Beijing": "Bad Public Order in the Coastal Ports"]

[Text] China's Public Security and Communications Ministries have jointly drawn up plans to concentrate forces and take steps to conduct vigorous straightening out of public order in the coastal ports this winter and next spring. This was revealed at the recently concluded national conference on straightening out public order in the coastal ports.

With the opening up of the coastal ports and cities in recent years, incoming foreign cargo vessels and tourist ships have increased gradually. According to the communications departments' statistics, an average of 500 ships dock at the coastal ports each day (about one-third are domestic passenger ships); while a total of 200,000 foreign sailors come to China annually.

The opening up to the outside world of China's coastal ports is beneficial to her economic and cultural exchanges with foreign countries, and also promotes foreign trade and the modernizations. However, due to inadequate port administration, some unhealthy phenomena which were already extinct have resurfaced and are flourishing, and criminal activities have increased markedly.

According to investigations by the public security departments, problems in the public order situation are notably reflected in the following: 1) prostitution has reappeared in some open ports and indecent phenomena are worsening rapidly; 2) thefts have occurred incessantly in the anchorages of foreign vessels and from foreign sailors in Chinese ports, while nearby fishing and civilian boats have continuously bartered with, and begged and stolen from foreign ships; 3) some foreign sailors spread pornographic materials in the ports and corrupt young people; and 4) some ports are controlled by unlawful elements engaged in profiteering in boat tickets, especially to highly frequented ports such as Shanghai, Dalian, Nantong, and Wenzhou. The illegal profiteering in tickets has become so rampant that passengers are confronted with great difficulties in buying tickets.

It was for these reasons that the Public Security Ministry and the Communications Ministry held the national conference on straightening out public order in coastal ports.

They urged that during this winter and next spring, under the leadership of local party committees and governments, coastal ports all over the country should concentrate efforts and time and act in unison to vigorously straighten out the public order situation. They should further weed out and suppress various existing criminal activities and ugly social phenomena, deal severely with criminal elements engaged in theft and profiteering, and treat according to law foreigners and sailors who violate the law.

Qian Yongchang, minister of communications, and Yu Lei, deputy minister of public security, both emphasized at the meeting that it was necessary to pay close attention to and adopt concrete measures in straightening out public order in coastal ports, and to deal severely and strictly with illegal and criminal activities.

MILITARY COMMISSION SETS UP SHENZHEN GARRISON

HK300436 Hong Kong WEN WEI PO in Chinese 29 Dec 85 p 3

[Report: "Shenzhen Garrison Set Up"]

[Text] As ordered by the Central Military Commission, the PLA Shenzhen Garrison [Jingbeiqu 6226 0271 0575] in Guangdong Province was formally set up on 25 December. Zhuang Gennan [5445 2704 0589], former deputy commander of Guangdong Military District, is appointed commander of the garrison, and Huang Jiyu [7806 4949 0645], former full-time member of the military district's Discipline Inspection Commission, is appointed political commissar. Liang Xiang, secretary of the Shenzhen City CPC Committee, is appointed first secretary of the garrison CPC Committee.

The main tasks of the Shenzhen Garrison, which is under the dual leadership of the Guangdong Military District and the Shenzhen City CPC Committee and government, are to ensure security in the special zone and in coastal and border defense, mobilize, and organize the militia to take part in building the two civilizations in the special zone, do a good job of militia and military service work, and ensure the security of key targets.

HU YAOBANG 'SHOCKED' BY BEIJING PUBLIC TRANSPORT

HK290816 Hong Kong HSIN WAN PAO in Chinese 29 Dec 85 p 3

["Special Feature" by contributing correspondent Wen Po: "Public Transport in Beijing This Winter"]

[Text] The problem of "difficulty in getting on a bus" in Beijing has reached a new level this winter, as the bitter north wind turned many hardy cyclists into "bus riders." The thick clothes being worn by everyone take up even more space inside the buses. That the buses in winter become more and more crammed is something that the city has gotten used to, but this year there were added special factors.

Bitter Weather and "Frozen" Buses

On 7 December, according to the meteorological station, the temperature in Beijing fell to its lowest point for the date since 1915. With the temperature at -15.1 centigrade, 259 diesel buses refused to start as their fuel had congealed. These included buses used on several major routes on East and West Changan Street and so on. At the height of the morning "rush hour," the bus stops were packed with anxiously gazing passengers, but there was no sign of a bus. The people then poured into the subway, overwhelming this system already jammed tight with passengers. The work personnel had no alternative but to "halt the flow" at the subway entrances; they let people line up there and enter in batches.

Why Were They Unhappy?

This made people extremely angry. There were countless phone calls to the departments concerned of the municipal government, and many letters denouncing this situation arrived at newspaper offices and radio stations. In fact, "ice does not become 3 feet thick in a single day," and the people's anger had been boiling up for more than 2 weeks.

Since mid- and late November, a chaotic situation has appeared in the city's public transport. There has been bad management and loss of control, with passengers often having to wait scores of minutes for a bus. The buses either did not arrive or else all arrived at once. Sometimes one would at last see a bus, but it would not stop and just sailed past. Major and minor bus stops were packed with people waiting in the bitter cold.

One reason for this situation was that some drivers and conductors were driving "grievance buses" to give vent to their "grievances." Instead of obeying the dispatchers, they arbitrarily drove fast, refused to stop, and so on. Why were they unhappy? The rumor went around that "there will be no pay hike this year!" And moreover drivers of hire cars were warm and comfortable and could make several hundred yuan a month, where as bus drivers had a much harder life and low wages, averaging not more than 90 yuan a month. This "unhappiness" too had been developing over a long period. Last year many of the city's 10,000 bus drivers requested a transfer to other work, but due to the current shortage of these drivers, it appears that they could not get approval.

The General Secretary Was Shocked

The public transport problem in Beijing shocked General Secretary Hu Yaobang, and he issued a note calling for serious action. Beijing Mayor Chen Xitong apologized to all the city's people for the 7 December "incident." He and some vice mayors and responsible persons of departments concerned visited the bus stops and bus fleets over a period of days to investigate and study, draw up measures, and extend comfort to the drivers and conductors. The chaotic situation is now tending toward a turn for the better.

After all-night hard work by some 2,000 workers and cadres, the buses that could not be started on 7 December had their fuel changed, and services on 8 December returned to normal.

Several thousand cadres of the public transport system have left their offices for the frontline of operations to help with the work from early morning to late evening. Some of them are living with the bus fleets, and every day they boil warming ginger tea for the early shift of drivers and conductors.

According to information, the drivers and conductors will receive a wage increase at yearend. The drivers may receive an average increase of nearly 20 yuan a month. The responsible persons concerned have stressed that this is within the state regulations and plan.

As for the other problems causing traffic problems in Beijing, such as road congestion and jammed intersections, there is no way of solving them within a short time.

DEFENSE UNITS WORK TO COMBAT INFLATION

HK230528 Hong Kong MING PAO in Chinese 23 Dec 85 p 5

["Special Dispatch From Beijing: "National Defense Spending 18 Billion Yuan"]

[Text] China allocated a total of more than 18 billion yuan for national defense spending in 1985. Due to rising commodity prices and other factors, there was a big shortfall. Many [command] headquarters and military regions were compelled to make up the deficit with more than 660 million yuan obtained from former reserves and extra-budgetary income. This was to help solve a large host of problems in basic-level army unity training, in life, and in various fields.

This was revealed at a recent all-Army logistics work conference. It was pointed out at the meeting that given a great shortage of national defense funds, all units of the Army focusing on Army modernization made every cent count. They made overall arrangements, reducing spending on what was not urgently needed and saving on what was meant for consumption. From January to September, various large units of the Army reduced spending for official business-related expenses by 40.6 million yuan. The purchasing power of social groups dropped by 21 percent compared with the corresponding period last year.

Hong Xuezhi, director of the PLA General Logistics Department and political commissar, attended the meeting. He pointed out at the meeting on 10 December that without reform there can be no progress. Without creating the new there can be no improvement. Through reform, we must improve results in using funds and material allocations and raise work efficiency. This is a fundamental way to solve the two major problems -- a limited budget with many things to be done, and a small staff with many things to do.

Hong Xuezhi said: A new year is approaching. The amount allocated for national defense spending has been determined. The tasks in the middle and last stages of the effort to simplify and reorganize the administrative structure have been defined. Despite little money, we must still get things done well. With a small staff, we must still do a good job. There is no other shortcut. Therefore, on the basis of investigations and studies in the past few years, we must carry out reforms in various fields in a planned and systematic manner.

He said that we must reform the supply control system. We must establish and perfect a three-level supply control system involving strategy, combat, and tactics. We must gradually ensure the provision of supplies, medical care, and repairs on the spot and in the vicinity, reducing unnecessary levels and improving efficiency. We must strengthen the predictive and scientific nature of policy decisions. In deciding on problems, we must compare many relevant programs, guard against blindness and haphazardness, and avoid causing losses and waste. For funds allotted to enterprise-oriented units and certain undertakings, many versions of an economic responsibility system may be introduced on a trial basis.

Hong Xuezhi stressed that we must learn how to use modern ways and methods of management. On the basis of gradually establishing electronic computer networks, we must establish and perfect an all-Army logistics information system and strengthen the collection, processing, transmission, and use of logistics information. We must use ideas about systems, information and controls, and other modern scientific methods of management to improve continuously the management of logistics organizations on an automatic basis.

END OF

FICHE

DATE FILMED

3 JANUARY 86

END OF

FICHE

DATE FILMED

